

# BPA Transaction Procedures and Inventory Requirements Handbook

~~April~~ ~~July 2007~~ March 2009

~~Index~~ Index

- A. New Vehicle Report of Sales Transactions
- B. Registered Owner Transfers
- C. ~~Salvage, Nonrepairable, Junks, and Vehicle License Fee Refunds~~ Legal Owner/Lienholder Transfers
- D. ~~Registration Renewal Transactions~~ Substitutes and Duplicates
- E. ~~No Fee Special Moving Permit~~ Miscellaneous Originals
- F. ~~Inventory Ordering~~ Nonresident Vehicles
- G. ~~Receiving Inventory~~ Vessels
- H. ~~Inventory Returns and Disposal~~ Salvage, Nonrepairable, Junks, and ~~NonRevivable~~ Nonrevivable Junk Transactions, and Vehicle License Fee (VLF) Refunds
- I. ~~Inventory Assignment~~ Registration Renewals
- J. ~~Quarterly Physical Inventory Reconciliation~~ Prohibited Transactions
- K. List of DMV Forms Vehicle (No Fee) Moving Permit
- L. DMV Contacts Inventory Ordering
- M. Receiving Inventory
- N. Inventory Returns and Disposal
- O. Inventory Assignment
- P. Quarterly Physical Inventory Reconciliation
- Q. List of DMV Forms
- R. DMV Contacts

This handbook was developed for the use of the Business Partner Automation Program (BPA) by the California Department of Motor Vehicles (DMV). The handbook lists the responsibilities of the business partners and gives instructions for the processing of transactions available and inventory requirements in the BPA program.

The business partner shall be responsible for requiring its employees to adhere to the following requirements:

- That all appropriate DMV data received is printed on the registration and titling documents and on the DMV file copy by the close of business of the same business day and at the same site the license plates and stickers are issued. The DMV shall cancel any registration and titling documents improperly issued.
- That all required DMV file copies and corresponding registration and titling documents and supporting paper documentation is sent to the service provider within the time frame as indicated by the first-line service provider by traceable trackable mail (e.g., Federal Express, United Parcel Service) at the business partners' expense. No more than two (2) clearance packets shall be mailed in the same envelope.
- That all voided or damaged copies of registration and titling documents and or DMV file copies printed on DMV95A DMV 95A paper shall be either shredded or made not useable for its intended purpose no later than the close of business the day the documents were printed.
- That the first-line service provider reconstructs all registration and titling documents lost in the mail, within sixty (60) days of notification.
- Maintain a three (3) percent or less monthly error rate per site(s). The percentage shall be based on the total number of transactions with errors divided by the total number of successful transactions. The first-line service provider shall monitor the error rate on a monthly basis and provide the second-line second-line business partner with their error percentage.
- License plate and year sticker number assigned during the transaction processing and printed on the DMV file copy and registration and titling documents shall be the same license plate and year sticker number physically affixed to the vehicle and updated to DMV's vehicle registration (VR), titling and inventory databases.
- If the second-line business partner charges a fee for registration and titling services, the second-line business partner shall complete and record the information on the Business Partner Automation Disclaimer form, as set forth in the California Code of Regulations, Title 13, Article 3.6, section 225.45.

The second-line business partner shall only process the transactions identified on the *Business Partner Automation Application Second-Line Business Partner*, form, REG 4025, in ~~§~~Section VI. The first-line service provider shall be responsible for ensuring the second-line business partner does not process transactions not identified on the form, REG 4025.

A second-line business partner shall process transactions and control inventory according to this handbook, the BPA Transaction Procedures and Inventory Requirements Handbook in processing transactions and controlling inventory.

Inventory is ~~defined as license plates, month and year stickers, salvage and non-repairable certificates and DMV95A paper divided into accountable and controlled inventory.~~ Accountable inventory ~~is defined as means~~ license plates, ~~salvage and non-repairable nonrepairable certificates, vessel~~ and year stickers. Controlled inventory ~~is defined as means~~ Commercial Vehicle Registration Act (CVRA) decals and stickers, month stickers and DMV95A DMV 95A paper. Second-line business partners are not allowed to order inventory directly from the DMV warehouse, inventory must be ordered through the first-line service provider. Either the first-line service provider or the DMV warehouse will ship the inventory to the second-line business partner by traceable trackable mail and will be at second-line business partner expense. If the inventory is shipped by the DMV warehouse, DMV will determine the most cost effective and efficient delivery method when shipping inventory to the second-line business partner site(s). All shipping costs for inventory shall be borne by the second-line business partner.

The second-line business partner shall be responsible for inventory under its control. The inventory shall be placed in secured areas, be accessible to and distributed by only authorized personnel and remain secured at all times as specified in the Business Partner Automation Program Information Security Pre-Implementation Checklist,

forms ~~INV~~ EXEC 5555A for first-line business partners and first-line service providers and ~~INV~~ EXEC 5555B for second-line business partners.

The second-line business partner shall have on hand no more than a three (3) months supply of inventory at any one time. Usage can be calculated by determining the estimated volumes indicated on the BPA application and historical transaction volumes.

The DMV warehouse is closed for one week annually for a physical inventory. No inventory requests will be processed during that time period. DMV shall provide written notice of the closure sixty (60) days prior to closure to the first-line service provider who will notify the second-line business partners of the closure dates.

The second-line business partner shall track license plates, year stickers and salvage and ~~non-repairable~~ nonrepairable certificates by ranges used and CVRA decals and stickers and on hand quantities of month stickers, DMV95A-DMV 95A paper and forms under their control.

The second-line business partner shall monitor and be responsible for excessive missing inventory. Excessive missing inventory is defined as damaged, voided, missing or stolen items that exceed more than one (1) percent of the inventory issued monthly.

The second-line business partner shall be responsible for reconciling all discrepancies discovered during the physical inventory. The second-line business partner shall submit a written report to the first-line service provider explaining why the discrepancies occurred and the steps taken to prevent future occurrences. If a pattern develops to indicate a misuse of inventory, the second-line business partner shall immediately notify their first-line service provider.

The second-line business partner shall immediately notify the first-line service provider via fax or e-mail when there has been a discovery of a loss of inventory or suspicion that the inventory has been misused, lost, stolen or if a pattern develops that indicates the misuse of inventory. The incident report shall include the date and details surrounding the incident and the procedural changes or steps taken to prevent future occurrences. If the loss is suspected to be the result of a crime, the second-line business partner shall file a police report with local law enforcement and shall provide the first-line service provider and the DMV BPA Program Administrator with a copy of the police report documenting the incident within three (3) days of receipt of the report.

## Reports

The second-line business partner shall be responsible for creating and maintaining the following reports:

- Inventory Receiving Report (current at all times)—the report shall include: Type and date inventory received and signature of employee who received the inventory.
- System Override Report (current at all times)—the report shall include: document any time accountable item inventory items are skipped within a transaction, the date the incident occurred, the user ID and inventory number.
- Training Report (current at all times and available upon request)—report information on the training provided to the authorized employees. The report shall include: employee names and title, the date of the training and the name/title of the trainer.
- On Hand Inventory Report (current at all times and available upon request)—the report shall include: the site ID, the report date, the inventory type, the inventory series number and the total amount of each type of inventory (plates, year stickers, salvage and ~~non-repairable~~ nonrepairable certificates).
- Error Report (current at all times and available upon request)—report processing errors made by a specific site and by employee. The report shall include: date of the error, brief description or error type and any follow-up training if applicable.
- Authorized Employee Report (current at all times)—the report shall include: the employee name and current user status (active, deleted, inactive or cancelled).

## Transaction Instructions

~~Below are the vehicle~~ This handbook introduces transaction procedures and inventory requirements for business partners to process Department of Motor Vehicle (DMV) vehicle registration transactions in the Business Partner Automation Program. Each section (~~A-J~~ A - R) identifies and discusses the process to complete the types of vehicle transactions, ~~and~~ the steps to order and dispose of inventory; a list of DMV forms for processing transactions and DMV contact information. The review of these procedures and requirements will provide business partners and DMV with an efficient and effective method of serving our mutual customers.

~~A. New Vehicle Report of Sale Transaction Procedures~~ **A. New Vehicle Report of Sales**

Procedures:

- (1) Complete a DMV *Application for Registration of New Vehicle*, form (REG 397) to document each new vehicle sold. Review all descriptive data fields to ensure that the fields are complete, accurate, and legible. Incomplete or incorrect information may result in incorrect titling or the delay or refusal of documents by DMV. Refer to the following chart (page 5) for specific data field information.
- (2) Issue license plates, stickers and registration cards for each vehicle.
- (3) Key the recorded information and review for keying errors.

**NOTE:** The dealer will be allowed to deposit fees on an incomplete *Application for Registration of New Vehicle form*, (REG 397) to avoid administrative service fee penalties.

**Vehicles that Require Additional Documentation:**

*Commercial vehicles (Commercial Vehicle Registration Act, CVRA)* operating at a gross vehicle weight of 10,001 or more are required to declare the vehicles' gross vehicle weight (GVW) or combined gross vehicle weight (CGW).

- Declared The GVW is the weight that equals the total unladen weight of the vehicle plus the heaviest load that will be transported on the vehicle (vehicles that haul a load, not pull).
- Declared The CGW is the total unladen weight of the combination of vehicles (motor truck/trailer) plus the heaviest load (vehicles that pull another vehicle).
- The GVW or CGW is reported on the *Declaration of Gross Vehicle Weight/Combined Gross Vehicle Weight* form, (REG 4008). The registered owner is required to declare the GVW/CGW on initial registration.
- Registered owners who declare a GVW/CGW of 10,001 lbs or more will pay CVRA fees based on the declared operating weight instead of the unladen weight.
- ***CVRA vehicles must be issued a weight decal sticker based on the declared operating weight. The vehicles must also be assigned a year sticker.***

**NOTE:** Vehicles excluded from CVRA are as follows: pick-ups will continue to be registered by unladen weight regardless of their GVW. Light weight trucks, vans, taxis and rental limousines will be registered by the unladen weight only if the vehicles' operating weight is 10,000 lbs or less.

*Station wagons* are generally issued automobile plates. However, the purchaser may request commercial registration and receive commercial plates under the following conditions:

- The vehicle is to transport persons "for hire". A *Statement for Securing Commercial Registration* form (REG 590) is required for vehicles transporting persons for hire, compensation, or profit unless the vehicle is registered in the name of a taxicab company; or
- The vehicle is registered to an individual whose name is also the name of a business. The registered owner must complete a *Statement of Facts* form (REG 256), Section G explaining that the registered owner name is also the name of the business.

A *Specialized Transportation Vehicle* is defined as a vehicle purchased by public or private nonprofit service agencies for the purpose of providing transportation services for senior citizens and/or handicapped persons.

These vehicles pay an annual registration fee but are exempt from paying vehicle license fees and weight fees. A

*Certification or Exemption for Specialized Transportation Vehicle*, form (REG 345) must be submitted with initial registration and each renewal registration.

A *Statement of Facts* form is required to justify special consideration for fees or plates. Below are examples of when a *Statement of Facts* form (REG 256) or *Miscellaneous Certifications* form (REG 256A) is required.

- Commercial plates for a passenger vehicle. Complete Section G on REG 256.
- Indian Reservation (IND): When the customer states he/she is a member of a California Indian Tribe and living on a federal Indian reservation or rancheria located in California. Attach the REG 256A to the application with residency verified by an authorized member of the tribal council or official of the Bureau of Indian Affairs. Signature and residency verification is acceptable on tribal letterhead.

**NOTE:** ~~Non-Resident~~ Nonresident Military (NRM): When a customer states he/she is a resident of another state and in the military. A REG 5045 is to be completed and submitted with the application.

The following chart identifies all the data fields on the *Application for Registration of New Vehicle* form (REG 397) that are to be keyed into the system.

Descriptive Data Fields:	What is Required:
Date First Sold (MO/DAY/YR)	The date when the purchaser paid the purchase price, signed a contract or agreement, and took possession or delivery of the vehicle.
Date First Operated as a new vehicle. (MO/DAY/YR)	The date the vehicle was first operated by the purchaser.
Make	The make or make abbreviation used by DMV.
Year Model	The year model as designated by the manufacturer. If blank, leave blank.
Body Type	The body type model.
Motive Power	The motive power must be indicated as follows: G=gas, D=diesel, E=electric, M=methanol, P=propane.
Axles, Unladen Weight	Number of axles on commercial vehicles. A Dealer may certify the unladen weight up to 8,000 pounds for commercial vehicles. If the vehicle weighs more than 6,001 pounds the application must be forwarded to a DMV office.
County (of Residence) Code	The assigned 2-digit number for the California county where the purchaser/registered owner resides. This may differ from the mailing address county. Out-of-state is 60.
Vehicle Identification Number (VIN)	A model specific 17 digit number that is assigned to all vehicles. If the VIN does not pass the check-digit, return to dealer.
"Sold To" Information for each purchaser	<ul style="list-style-type: none"> <li>• His/her true full name, driver's license/Identification (ID) card number, and signature. For a leased vehicle, the names of the lessor and the lessee are required, but only the lessor's signature is required.</li> <li>• Driver license (DL) or identification number is required. However, verification of the DL/ID number is not required. An out-of-state DL/ID # is acceptable (DO NOT KEY) if the state of issuance is printed on the form. Return any application to the dealer if DL/ID number information is not present. <i>Do not key a fictitious number.</i></li> </ul>
"Sold To" Information for each purchaser	<ul style="list-style-type: none"> <li>• <b>NOTE:</b> The "AND" or "OR" box is checked if more than one purchaser is shown as registered owner.</li> <li>• Purchaser's address: street and mailing address, if different.</li> <li>• Equipment number for fleet vehicles only.</li> <li>• Lienholder or Legal Owner: Space must indicate name &amp; address or the word "NONE" initialed. (<i>A DL/ID number is not required for a legal owner.</i>)</li> <li>• Purchaser's signature and date signed are required.</li> </ul>
Cost Value	Full price of the vehicle to the purchaser, excluding sales tax, license fees, or financing costs.

Descriptive Data Fields:	What is Required:
Odometer Disclosure Statement	Mileage, printed name of the purchaser(s) and seller and the original signature(s) of the purchaser(s) and seller(s).
M/C Engine #	Engine Number required for new motorcycles.
GVW	Declared gross vehicle weight on commercial vehicle—the weight that total unladen weight of the vehicle plus the heaviest load that will transported on the vehicle (vehicles that haul, not pull, a load)
CGW	Declared combined gross vehicle weight on commercial vehicle—the weight that equals the total unladen weight of the combination of vehicles (motor truck/trailer) plus the heaviest load that will be transported by that combination (vehicles that pull another vehicle).
CERT DATE	MMDDCCYY
CERT IND	10,001 lbs or more—insert "C" in the CERT IND field 10,000 lbs or less—insert "U" in the CERT IND field

## ~~B. Registered Owner Transfers Procedures~~ **B. Registered Owner Transfers**

### Procedures:

Business partners may process registered owner transfers for automobiles, motorcycles, commercial vehicles, motor homes without a cab and chassis body-type model and vessels. The following documentation is required to process the basic transfer. The vehicle description must be the same as shown on the title. Incomplete or incorrect information may result in incorrect titling.

Do not process the transfer if:

- A VR database record is not found.
- There is a discrepancy in registered owner or legal owner information.
- The VR database shows "junk", a "VLT stop", or a status on the record that prohibits the application from being cleared.

The California Certificate of Title properly endorsed for transfer as follows:

- Line 1—the registered owner(s) of record must release interest as follows:

If the vehicle is registered to....	Then the following is required
Co-owners joined by "and" (a slash "/")	The signature of each owner
Co-owners joined by "or" or by "and/or"	The signature of only one owner
Co-owners with a "JTRS" designation	The signature of each owner
A business entity	The name of the business entity and the countersignatures of an authorized representative
An individual doing business as (DBA)	The signature of the individual
Registered Owner(s) (no legal owner/lienholder of record)	The signature of the registered owner(s)
NOTE: A bill of sale is acceptable in lieu of the registered owners' signature.	

- Line 2—the legal owner/~~lien holder~~ lienholder of record must release interest unless the legal owner/~~lien holder~~ lienholder remains the same for the new registered owner, in which case, the name and address of the legal owner/~~lien holder~~ lienholder must be reentered on the back of the title.
- New registered owner section—the name address and driver license or identification number (DL/ID#) for each new registered owner must be entered on the appropriate lines. If the new registered owner is a company, driver license information is not required.

**NOTE: if an owner has not been issued a California DL/ID#, collect out of state DL/ID# and the state of issuance in the upper right hand corner of the face document or application. The out of state number cannot be keyed, but will be microfilmed with the application.**

- Purchase price and purchase date—the purchase price or the word "gift" must be indicated. If a gift, the new owner must indicate the estimated value of the vehicle.
- Legal owner/~~lien holder~~ lienholder section—the name and address of the new legal owner/~~lien holder~~ lienholder, if any, must be entered on the appropriate lines. The word "None" must be entered when there is no legal owner/~~lien holder~~ lienholder.
- Odometer mileage disclosure—must be entered on the title or on the *Vehicle/Vessel Transfer and Reassignment Form* (REG 262).



- Smog certificate—If appropriate, or evidence of exemption. A *Statement of Facts* form (REG 256) must be completed and submitted with the application for any of the exemptions listed. The following are reasons for exemption:
  1. Last smog certification was obtained within the last 90 days.
  2. The vehicle is powered by electricity, diesel or any other fuel alternative.
  3. It is located outside the State of California (No Exception: When the vehicle is located in Nevada or Mexico, then it must be taken to the nearest California border and obtain a California smog certification).
  4. It is being transferred from/between—parent, grandparent, child, grandchild, brother, sister or spouse of the transferee.
  5. It is being transferred from/between—a sole proprietorship to the proprietor as owner.
  6. It is being transferred from/between—Companies whose principal business is leasing vehicles. There is no change in the lessee or operator.
  7. It is being transferred from/between—lessor and lessee of vehicle and no change in the lessee or operator of the vehicle.
  8. It is being transferred from/between—the lessor and person who has been lessee's operator of the vehicle for at least one year.
  9. It is being transferred from/between—Individual(s) being added as registered owner(s).
- Use tax or evidence of exemption. The *Statement of Facts* form, (REG 256) must be completed and submitted with the application for any of the exemptions listed. The following are reasons for exemption:
  1. Family transfer sold between a parent, child, grandparent, grandchild, spouse, domestic partner or siblings, if both are minors related by blood or adoption.
  2. Addition or deletion of family member (spouse, domestic partner, parent[s], son/daughter, grandparents, grandchildren).
  3. Gift (does not include vehicles traded between individuals, transfer of contracts or other valuable consideration).
  4. Court order
  5. Inheritance

**NOTE:** The Use tax exemption cannot be claimed if the vehicle/vessel being transferred was purchased from an otherwise qualifying relative who is engaged in the business of selling the same type of vehicle/ vessel.

- *Certificate of Excise Tax Clearance* ~~form~~ (Board of Equalization ~~form~~, BT 1138) **must** accompany all applications for registered owner transfer of a **commercial vehicle** powered by a fuel other than gasoline or diesel.

**NOTE:** Passenger vehicles, commercial vehicles weighing 7,000 pounds or less unladen, and two-axle trucks rented or leased for 30 days or less and used for private transportation without compensation which operate on fuels other than gasoline or diesel fuel are exempt from fuel tax laws and the BT1138 requirement.

- Transfer fee and any other fees due for the transaction. The transfer fee must be paid within thirty days of the date of transfer to avoid a transfer penalty.

**NOTE:** When a transferee acquires a vehicle and the registration expires during that time period, the transferee has 20 days from the date of transfer to pay renewal without penalty. If the vehicle registration was already expired prior to purchase, penalties are due.

- A *Statement of Error or Erasure/Statement to Record Ownership* form (REG 101) is required for any erasure and/or lined out information on the Certificate of Title. Dealers and financial institutions may certify to errors in signatures, including their own, made on the title by a representative of the dealer or financial institute. For errors made by other than a dealer or financial representative, the {REG 101} must be completed by the individual whose name appears on the title in error.
- California dealers and lessor-retailers have 30 days to submit the transfer application and fees for a used vehicle sold by the dealer on a *Report of Sale-Used Vehicle* form (REG 51) to avoid registration or transfer penalties and/or Administrative Service Fees (ASF). This does not apply to vehicles with penalties due or accrued prior to the date of sale by the dealer (vehicles taken into dealer inventory with expired registration).
- In addition to the basic transfer requirements, dealer transfer must include:
  - 1) The dealer's endorsement on the Certificate of Title. If multiple dealer transfers have occurred, each dealer's name and a countersignature or initials must appear as dealer reassignments on the back of the title.
  - 2) The dealer's *Report of Sale-Used Vehicle* form (REG 51).
  - 3) Payment of transfer fees within 30 days of the date of sale.
- **Multiple transfers**—a multiple transfer is when a vehicle is sold more than once (other than to a dealer) without a new ~~certificate~~ Certificate of Title being issued. In addition to the basic transfer requirements, the following is are required:
  - 1) The signature and address for all buyers must be entered on the Certificate of Title. A signed bill of sale and the printed name of the buyer on the Certificate of Title may be accepted in lieu of the written signature on the title.
  - 2) Identify the chain of ownership by placing "I", "II", etc., in front of each buyer's name on both the title and the bills of sale.
  - 3) Collect the appropriate fees. A transfer fee is due for each buyer, however, if a transfer penalty is due, collect for only the last transfer.
- **Transfer without Probate**—an *Affidavit for Transfer without Probate-California Titled Vehicles or Vessels Only* form (REG 5) may be used to transfer ownership of a vehicle when the registered owner or legal owner is deceased provided 40 days have elapsed since the date of death and the value of the decedent's property in California does not exceed \$100,000. **NOTE:** Any vehicle, vessel, manufactured home, mobile home, commercial coach or floating home is excluded from the value of the decedent's property. When the requirements are satisfied, a transfer without probate may be ~~executed~~ processed without procuring Letters of Administration, Letters of Testamentary or awaiting probate of a will by:
  - 1) The surviving next of kin.
  - 2) The guardian or conservator of the estate of the next of kin.
  - 3) A trustee, under a trust agreement by the deceased, if the primary beneficiaries are the next of kin.
  - 4) A sole beneficiary, or all beneficiaries, under the last will of the decedent.

**A**—If a vehicle is jointly owned by two or more persons and one of the owners is deceased, a (REG 5) cannot be used to circumvent the interest of the surviving owner. However, the heir may execute a transfer without probate and release the interest of the deceased co-owner when the vehicle is registered as community property (COMPRO).

**B**—After the 40-day waiting period, the procedure is:

- I. Besides basic transfer requirements have the heir complete and sign an *Affidavit for Transfer without Probate-California Titled Vehicles/Vessels Only* (REG 5). A power of attorney cannot be used to complete this form.
- II. Collect a transfer fee and any other fees due. Do not collect a transfer penalty. If the heir transfers ownership directly to another person collect two transfer fees.

- **Transfer Only**—a transfer only is the transfer of a vehicle not currently registered and has a Planned Non-operation status on the VR vehicle registration database. The vehicle cannot have been moved in a manner that would cause fees to become due. The buyer must complete a *Statement of Facts* (REG 256) Section C requesting transfer only.
- **Transfers with request for Planned Non-operation (PNO)**—a vehicle can be placed on PNO status if processed within the allowable PNO timeframes. The PNO may be filed as early as 60 days prior to the current registration date. A PNO with penalty can be requested within 90 days after the expiration date. If 91 days or more, a PNO cannot be placed on the vehicle and registration fees/penalties are due. The buyer must complete a *Certificate of Non-Operation/Planned Non-Operation Certification*, (REG 102) and pay transfer, use tax and PNO fees.
- **Transfer with Environmental License Plates (ELP) or Plate with Owner (PWO)**—vehicles that have ELP or PWO on their records must indicate whether or not the plate is being retained by the previous owner or surrendered to the Department. One of the following disposition codes must be keyed in the “Prior PWO Disposition” field:

- L—lost or stolen
- R—retained
- S—surrendered

In addition to the basic transfer requirements, when there is a PWO or ELP on the vehicle record, and the ELP or PWO plate is being surrendered or has been reported as lost or stolen, the type license must be changed to one of the following:

Automobile—11	Exempt Auto—13, 14, 15 or 16
Motorcycle—21	Exempt Motorcycle—23, 24, 25 or 26
Commercial—31	Exempt Commercial—33, 34, 35 or 36

If the plate is being retained on the vehicle, it must be verified that the registered owner of the vehicle is the PWO or ELP owner. Transfer, registration fees and use tax are due. Exempt vehicles do not pay registration fees. A computer system-generated substitute license plate is issued based upon the type license.

- **Title Only to Registration**—in addition to the basic transfer requirements, the type license must be changed to one of the following:
- |               |                                    |
|---------------|------------------------------------|
| Automobile—11 | Exempt Auto—13, 14, 15 or 16       |
| Motorcycle—21 | Exempt Motorcycle—23, 24, 25 or 26 |
| Commercial—31 | Exempt Commercial—33, 34, 35 or 36 |

The registration expiration date is based upon the date of sale. Transfer, registration fees and use tax are due. Exempt vehicles do not pay registration fees. A computer system-generated substitute license plate is issued based upon the type license.

- **Federally Recognized Indian Tribes**—vehicles registered to a federally recognized Indian tribal name and used exclusively within the boundaries and jurisdiction are exempt from paying all fees except the \$28 registration fee.

In addition to the basic transfer requirements, an application for transfer to the Indian tribal name must include a letter written on Indian tribal letterhead and signed by an authorized tribal counsel member, such as the tribal chief or secretary, which identifies the vehicle and states it is owned by and being registered in the federally recognized Indian tribal name and will be used exclusively within the boundaries of Indian tribal land including an incidental operation on highways within those boundaries.

- **Transfer of Indian Owned Vehicles**—transfer requirements are:

If the vehicle is being transferred from....	Then the clearance requirements are...
Indian owned to Indian owned	In addition to the basic transfer requirements, the applicant must submit a <i>Miscellaneous Certifications</i> (REG 256A) with the Indian License Fee Exemption section completed and signed by a representative of the tribe or an official of the Bureau of Indian Affairs, U.S. Government.
Indian owned to non-Indian owned	In addition to the basic transfer requirements, Vehicle License Fees (VLF) calculated by the date of transfer and purchase price. Collect transfer fees, registration fees and Use Tax, if due.

- **Leased Vehicles**

**Transfer of Leased Vehicles**—leased vehicles must be registered in the names of both the lessor and the lessee. The lessor is the owner of the vehicle, while the lessee is the operator of the vehicle. The lessor is designated as LSR and lessee is designated as LSE. The lessor must provide the lessee's address on the *Statement to Record Ownership* portion of the form (REG 101) whenever that address differs from the registered owner address shown on the California registration certificates. The (REG 101) must be the top document on all leased vehicle transfer unless the input document has a designated space for the lessee address.

**Change of Lessee Only**—in addition to basic transfer requirements, the following must be completed:

1. Signature of the lessor on the front and the reverse side of the Certificate of Title on the appropriate lines and the new owner section on the reverse of the title completed to show the names of both the lessor and the new lessee.
2. A *Statement of Error or Erasure/Statement to Record Ownership* form (REG 101).
3. A smog certificate is required because the person in possession of the vehicle has changed.
4. A transfer fee for the change of lessee and any other fees due. Use tax not required.

**Changes other than Lessee Only**—in addition to the basic transfer requirements, all transfers of leased vehicles require the lessor's releasing signature on line 1 of the Certificate of Title. **Do not accept the lessee's signature alone for the release of ownership.**

- **Transfer of ~~Non-Resident~~ Nonresident Military (NRM) Vehicle**—the requirements to transfer a vehicle are:

If the vehicle is being transferred from....	Then the clearance requirements are....
<del>From a</del> <u>A non-resident nonresident</u> military to another <u>non-resident nonresident</u> military	<ul style="list-style-type: none"> <li>• The basic transfer requirements</li> <li>• A <u><i>Non-Resident Nonresident Military Exemption Statement</i></u> form, (REG 5045) from the buyer</li> </ul>
<del>From</del> <u>A non-resident nonresident</u> military to regular registration	<ul style="list-style-type: none"> <li>• The basic transfer requirements</li> <li>• Prorated VLF from the date of transfer to the end of the registration year. The fees will be system generated and no penalty will be assessed on the VLF.</li> </ul>

**NOTE:** When a vehicle with NRM status is traded to a dealer, the VLF is due from the date of sale to the new buyer.

- **Transfer Due to Repossession**—in addition to the basic transfer requirements, the following is required:

- I. In lieu of the registered owners' release, print "REPO" on line 1 of the Certificate of Title.

- II. A *Certificate of Repossession Security Interest/Conditional Sale Contract* form (REG 119) must be submitted.
- III. A repossession fee and a transfer fee are due if the vehicle is registered to other than the re-possessor.
- **Transfer of Exempt Vehicle to Non-Exempt Vehicle**—in addition to the basic transfer requirements, the following is required:
  - I. The VLF is calculated based upon the purchase price of the vehicle. VLF will be system generated. The expiration date of the vehicle registration will be based upon the date of sale.
  - II. The number of axles and unladen weight must be shown for commercial vehicles. If weight not shown on the Certificate of Title, a weight certificate is required.
  - III. For state owned vehicles, a permit to transfer issued by the Department of General Services or the Department of Transportation or the California State University and Colleges as appropriate, is required.
  - IV. Pick up current series license plate unless the vehicle is being transferred to another exempt agency. System will generate substitute plate.
  - V. The odometer mileage disclosure on the complying title or the *Vehicle/Vessel Transfer and Reassignment Form* (REG 262).
  - VI. A smog certificate, if required.
  - VII. Pick up transfer fees, registration fees and Use Tax.
- **Exempt Vehicle to Transfer Only**—in addition to the basic transfer requirements, the new owner of the vehicle must complete a *Statement of Facts* (REG 256) for “transfer only”. No plates are issued but the vehicle is assigned a fictitious serial number.
- **Transfer of Exempt Vehicle to Exempt Agency**—in addition to the basic transfer requirements, the exempt agency must complete an *Application for Title or Registration/Verification of Vehicle* form, (REG 343/31) and an *Exempt License Plate Request* form, (REG 5050).

#### **Miscellaneous Information:**

An *Application for Duplicate Title* (REG 227) may be used in lieu of the original Certificate of Title if the title has been lost, stolen, not received, illegible/mutilated or if the original title was an Electronic Lien/Title (paperless title).

If an *Application for Duplicate Title* (REG 227) is submitted with a releasing legal owner/lien-holder, section 5 of the duplicate title must be notarized.

When an application is accompanied by an *Application for Duplicate Title* form, (REG 227), verify the information on the form against the computer generated screen with the information from the VR vehicle registration database. The registered owner, legal owner, and vehicle description must agree. A copy of inquiry screen is to be included with the transaction documents.

A *Lien Satisfied/Title Holder Release* (REG 166) may be used in lieu of the signature on line 2 of the title or when accompanying the Application for Duplicate Title (REG 227) but must be notarized.

A *Power of Attorney* form (REG 260) may be used in most instances. The Power of Attorney must:

- Contain the vehicle/vessel identification number.
- Contain the name of the designated attorney-in-fact.
- Be signed by the principle.
- Accompany any application signed by the attorney-in-fact.

**NOTE: When a business entity is the attorney-in-fact, the business name must be included in the countersignature.**

The Power of Attorney cannot be used for the following:

- To sign a certification/statement of facts attesting to the knowledge of the principle. The exception is the certification regarding the disposition of the original California Certificate of Title on an *Application for Duplicate Title*, (REG 227).
- To disclose odometer mileage.
- To reassign the right conveyed to the attorney-in-fact by the principle.
- By executors or administrators to appoint an attorney-in-fact pursuant to the power of attorney.
- By a trustee to assign the duties of a trust to an attorney-in-fact. A trust may assign specific duties to an attorney-in-fact, such as transferring a vehicle or retaining agents to advise and assist in the administration of the trust. A trustee cannot delegate all administrative duties. Therefore, accept only a restricted power of attorney from a trustee, limited to a particular asset of the trust or to a particular transaction.

A *Bill of Sale* form (REG 135) may be used in lieu of releasing signature on line 1 of the Certificate of Title or line 4 of the *Application for Duplicate Title* (REG 227).

~~The business partner is prohibited from processing applications that contain the following:~~

- ~~1. Transfer of ownership to beneficiary shown as TOD~~
- ~~2. Attachment sales~~
- ~~3. Forfeiture sales—California Agency~~
- ~~4. Forfeiture sales—Federal Agency~~
- ~~5. Government actions~~
- ~~6. Internal Revenue sales~~
- ~~7. Marshal sales~~
- ~~8. Military lien sales~~
- ~~9. Prejudgment attachments~~
- ~~10. Sheriff sales~~
- ~~11. State Controller sales~~
- ~~12. US Customs sales~~
- ~~13. Warehouse Receipts act~~
- ~~14. Welfare and Institution sales~~
- ~~15. Transfers with ANY court orders (Conservator or Guardian, General, Spousal, Letters of Administration, Letters of Testamentary, Transfer with Probate)~~
- ~~16. Constable sales~~
- ~~17. Prior Consul Corp vehicles~~
- ~~18. Involuntary transfers~~
- ~~19. Divorce Actions~~
- ~~20. Quiet Title Judgments~~
- ~~21. Bankruptcy sales—trustee or receiver~~
- ~~22. Special trust transfers~~
- ~~23. Repossession by legal owner not on record~~
- ~~24. Apportioned Title Only~~

~~G. Salvage, Nonrepairable, Junks, and Vehicle License Fee Refunds~~ **C. Legal Owner/Lienholder**  
**Lienholder Transfers**

NOTE: Legal Owner/Lienholder Transfers shall only be processed by approved business partners such as financial institutions.

The enclosed sections identify the requirements for Salvage, Non-revivable, Non-repairable, and Junked Vehicles and vehicle license fee refunds.

**APPLICATION DEFINITIONS**

**Application for Non-Repairable Certificate:** a non-original vehicle, which has no resale value except as a source of parts or scrap metal.

**Application for Salvage Certificate:** a transaction for a vehicle that is being reported as salvage, either by an insurance company, salvage pool, or the registered owner.

**Vehicle License Fee (VLF) Refund application:** a transaction that provides for the return of prorated vehicle license fees paid on un-recovered stolen or constructive total loss vehicles. **Note: VLF refunds are to be processed by salvage pools only.**

**Junk Certificate:** a vehicle with a California record is being junked with the option to be reregistered.

**Non-Revivable Junk:** a vehicle with a California record is being junked and will not have the option to be reregistered.

**SALVAGE OR NONREPAIRABLE VEHICLE CERTIFICATES**

- ~~A Non-repairable Vehicle Certificate cannot be issued for an un-recovered stolen vehicle.~~
- ~~Once a vehicle has been declared non-repairable, ownership of the vehicle may only be transferred twice on the Non-repairable Vehicle Certificate.~~
- ~~A non-repairable vehicle cannot be titled or reregistered subsequent to issuance of the Non-repairable Vehicle Certificate.~~
- ~~When an *Application for Salvage Certificate or Non-repairable Vehicle Certificate* form (REG-488C) is accompanied by an *Application for Duplicate Title* (REG-227), verify the information on the (REG-277) against the information shown on the database. The registered owner, legal owner, and vehicle description must agree.~~
- ~~The vehicle description must be the same as shown on the title. Incomplete or incorrect information may result in incorrect titling.~~
- ~~Do not issue a Salvage Certificate or Non-Repairable Vehicle Certificate when the following conditions appear in the vehicle registration database:~~
  - ~~A record is not found.~~
  - ~~There is a discrepancy in registered owner or legal owner information.~~
  - ~~The record status shows "junk", a "VLT stop", or a status that prohibits the application from being cleared.~~
  - ~~A Special or Environmental License plate is shown on the record.~~

**Salvage and Non-repairable Certificate Requirements:**

1. ~~Application for Salvage Certificate or Non-repairable Vehicle Certificate (REG-488C)~~

If...	Then...
The customer is applying for a Salvage Certificate,	<b>Complete Section (1)</b> of the <i>Application for Salvage Certificate or Non-repairable Vehicle Certificate</i> (REG-488C).
The customer is applying for a Non-repairable Certificate,	<b>Complete Section (2)</b> of the <i>Application for Salvage Certificate or Non-repairable Vehicle Certificate</i> (REG-488C).





The California Certificate of Title or an *Application for Duplicate Title* form (REG 227).

If...	Then...
The California Certificate of Title is submitted,	The certificate must show the releasing signature of the registered and the legal owner of owner of record.
The Certificate of Title is lost, stolen, mutilated, or illegible	A duplicate title must be obtained. An <i>Application for Duplicate Title</i> (REG 227) must be completed by the legal owner of record or by the registered owner (if no legal owner on record) and be submitted with the required releasing signatures. A \$15 duplicate fee is also required.

2. *Vehicle/Vessel Transfer and Reassignment* form (REG 262)

If...	Then...
The customer is applying for a Salvage Certificate,	Section 3 of the REG 262 must be completed for the odometer disclosure. Federal regulations specify that the information be completed in ink, not pencil.
	Section 4 is to be completed by the buyer and seller: <ul style="list-style-type: none"> <li>• A business name may be generated by hand in ink, typewritten, or computer generated. The authorized agent's countersignature must be completed by hand and in ink.</li> <li>• The printed name(s) and signature(s) of the buyer and/or seller must be completed by hand and in ink.</li> </ul>

**VLF Refund Requirements:**

*VLF refunds are restricted to Salvage Pools only.*

A VLF refund cannot be processed until the Salvage or Non repairable status has updated on the vehicle registration database.

If...	Then...
The vehicle is a constructive total loss and prorated vehicle license fee (VLF) refund is appropriate,	An <i>Application for Vehicle License Fee Refund</i> (REG 65, Part B) must be submitted.

**Junk Certificate Requirements:**

If...	Then...
The vehicle is to be dismantled,	A <i>Notice of Acquisition/Report of Vehicle to be Dismantled</i> (REG 42) is required, in addition to:
	*A titling document: California Certificate of Title, or Application for Duplicate Title, or California Salvage Certificate
If required,	A <i>Vehicle/Vessel Transfer and Reassignment</i> form (REG 262)

**\*Note: The titling document submitted must contain the following information:**

- The releasing signature of the registered owner of record
- The releasing signature of the legal owner of record.
- The dismantler's name and signature must appear in the new owner section on the reverse side of the title and not in the dealer section of the title

If the application is clearable "validate" the duplicate copy of the *Notice of Acquisition/Report of Vehicle to be Dismantled* (Reg. 42) by line date stamping the front of the form. Return the validated copy to the dismantler with instructions to attach it to the book copy proof of reporting and authority to dismantle the vehicle.

**Non-Revivable Junk Certificate Requirements:**

A vehicle may be declared as a non-revivable junk due to the following circumstances:

- When there are reasonable grounds to believe that a vehicle has been abandoned, that vehicle may be removed from a highway or from public or private property by any peace officer or designated employee of a county or city, pursuant to California Vehicle Code 22669.
- A public agency may impound and remove from private or public property any vehicle that is wrecked, dismantled, inoperative, or considered a public nuisance, pursuant to California Vehicle Code 22660.

If...	Then...
The vehicle is to be identified as a non-revivable Junk in the vehicle registration database,	A <i>Notice of Acquisition/Report of Vehicle to be Dismantled</i> form (REG 42) is required, AND a <i>Public Agency Authorization to Dispose of a Vehicle to a Scrap Iron Processor or Dismantler Valued at \$300 or Less</i> form (REG 462)

If the application is clearable "validate" the duplicate copy of the *Notice of Acquisition/Report of Vehicle to Be Dismantled* (REG 42) by date line stamping the front of the form. Return the validated copy to the dismantler with instructions to attach it to the book copy as proof of reporting and authority to dispose of the vehicle.

The properly endorsed Certificate of Title and a transfer fee must be submitted to the department to record a change in the legal ownership only. When the Application for Duplicate Title form (REG 227) is used, an additional duplicate title fee must be submitted, unless an Electronic Lien/Title is on record.

Legal Owner/Lienholder Transfer signature requirements are:

<u>Transaction</u>	<u>Requirements</u>
Registered owner(s) remains the same but legal owner/ <del>lienholder</del> lienholder is being changed:  <b>NOTE:</b> Registered owner's signature is not required on the Certificate of Title.	Signature of the legal owner/lienholder on the front of the Certificate of <del>title</del> Title, line 2, or the <i>Lien Satisfied</i> form (REG 166). When a REG 166 is used to release the legal owner/lienholder's interest, make the notation "LS att" on line 2. The REG 166 must be notarized. Refer to "Requirement for notarized signature" shown below.  Name and address of the new legal owner/lienholder entered in the new lienholder area on the back of the title.
Registered owner(s) adding a legal owner/ <del>lienholder</del> lienholder name	Signature of the registered owner(s) on line 2 of the Certificate of Title.  Name and address of the new legal owner/lienholder entered on the back of the title in the new lienholder area. The Legal Owner/ <del>lienholder</del> lienholder signature must show the company name and be countersigned by an authorized agent for the company (example: Bank of DMV by John Doe) and the signature must be notarized.
Registered owner(s) remaining the same and deleting legal owner/ <del>lienholder</del> lienholder only with a Certificate of <del>title</del> Title.  <b>NOTE:</b> Registered owner's signature is not required on the Certificate of Title.	Signature of the legal owner/lienholder on the front of the Certificate of <del>title</del> Title, line 2, or the <i>Lien Satisfied</i> form (REG 166). When a REG 166 is used to release the legal owner/lienholder's interest, make the notation "LS att" on line 2. The REG 166 must show the company name and be countersigned by an authorized agent for the company (example: Bank of DMV by John Doe) and the signature must be notarized.
Legal owner/ <del>lienholder</del> lienholder being removed using the <i>Application for Duplicate Title</i> (REG 227) form	An <i>Application for Duplicate Title</i> (REG 227) can be used <del>used</del> to remove the legal owner/ <del>lienholder</del> lienholder when the Certificate of Title is lost, stolen, mutilated, or illegible. A mutilated or illegible title must be submitted with the application.  The REG 227 must be properly completed and endorsed for transfer. If the legal owner/lienholder of record is releasing interest, the legal owner/ <del>lienholder</del> lienholder signature must show the company name and be countersigned by an authorized agent for the company (example: Bank of

When the registered owner(s) signs Line 1 in error, he/she must either complete a Statement of Error or Erasure form (REG 101) or complete and sign the new registered owner section on the back of the title. In such cases, make the notation "no change of registered owner" next to the signature(s) on Line 1.

#### **Notarized Signature of Lienholder Required**

The release signature of the legal owner/lienholder on a lien satisfied form or an *Application for Duplicate Title* (REG 227) must be notarized. This includes a REG 227 used for an electronic lienholder (ELT) transfer. A California notary's stamp must include the notary's name, the commission number and expiration date, the county and state in which the commission was granted, and the state seal. An out-of-state notary's stamp is acceptable as completed. (Other states might not require the same information as California.)

The notarized stamp and signature may be located:

- Next to the legal owner's/lienholder's release signature on the REG 227, or
- On a separate sheet of paper attached to the REG 227, or
- On any other document submitted in lieu of the release signature on the REG 227 that shows satisfaction of the lien, such as a *Lien Satisfied/Title Holder Release* (REG 166). The department will return the application if the legal owner/lienholder release signature is not notarized as required.

**EXCEPTION:** An insurance company (or its agent) is exempt from the notarized signature requirement on transfers of total loss salvage vehicles to the insurance company when a lienholder is indicated on the department's records and an acceptable lien satisfied document from the lienholder is submitted by the insurance company (or its agent). When an insurance company sells a vehicle using the REG 227, the lienholder's release signature must be notarized.

## ~~D~~ Registration Renewal Transaction Procedures D. Substitutes and Duplicates

Business partners may process annual registration renewal transactions for automobiles, motorcycles, commercial vehicles and motor homes without a cab and chassis body type model. A change of address in conjunction with the registration renewal transaction may be processed unless the business partner is expressly prohibited from processing for security reasons. The customer is to complete a DMV *Notice of Change of Address*, form DMV 14 (Rev. 8/04). Attach the form or the appropriate change of address section completed on the renewal billing notice to the application.

### Insurance Requirement

Renewal billing notices for customers whose insurance information is submitted electronically to DMV will not display the "Evidence of Liability Insurance" request on the front of the renewal billing notice. *Do not ask for an insurance card if the customer's renewal billing notice does not indicate it is due.* Customers without a renewal billing notice must provide evidence of insurance. For most customers that evidence would be an insurance card.

Insurance cards from:

- ~~Canada~~ are acceptable.
- ~~Mexico~~ are acceptable only if the insurer or vehicle owner's address is in Mexico.
- ~~Other countries~~ are not acceptable.

Compliance is verified with an insurance card or binder. Attach a copy of the insurance card or binder to the renewal document. An insurance card or binder must include the following information on the document to be acceptable:

1. Insured name on the policy or the vehicle owner's name.
2. Insurance company name.
3. An insurance document with a future effective date is valid, however, it is not mandatory for an insurance document to be dated. (If the policy expiration date is present, it must be valid for the registration period for which the fees are paid).
4. A master insurance policy covering multiple vehicles which is not vehicle specific may be accepted for multiple vehicle renewals submitted at the same time.

**NOTE:** The vehicle description is not required, however if it is present, it must match the information on the registration card.

When an insurance company informs the Department that the required vehicle insurance policy or coverage is cancelled, or when the insurance is not received within thirty (30) days after the registration issuance on original or transfer applications, the registration of the vehicle will be suspended until the registered owner has sent in satisfactory proof of financial responsibility as defined in Section 85.00(a), Article 2.3, Chapter 1, Division 1 of Title 13 of the California Code of Regulations.

To reinstate a suspended vehicle registration, the registered owner will be required to pay a reinstatement fee. The business partners are prohibited from processing vehicle transactions that have had registration suspended. If the business partners receive an application that has this suspension on the vehicle registration database, the business partner shall instruct the customer to contact the Department or the Department's agent handling the insurance reinstatements for instructions.

### Smog Requirements

Check the DMV registration and titling database for smog compliance. If current smog compliance is not present on the database, then an error message will appear. The customer must provide a copy of their Vehicle Inspection Report (VIR) indicating the vehicle passed smog to continue with the transaction. A photocopy of the VIR must be attached to the application. A "Y" database entry in the smog code field is keyed upon evidence of a valid VIR.

~~Processing commercial renewals that fall under CVRA with weight changes~~—on commercial vehicles that fall under CVRA, if the customer changes the CVRA weight range, they must complete the *Declaration of Gross Vehicle Weight/Combined Vehicle Weight* form, REG 4008. The appropriate weight code (A-N) for the new weight range must be entered.

GROSS/COMBINED GROSS VEHICLE WEIGHT RANGE	WEIGHT CODE
10,001-15,000	A
15,001-20,000	B
20,001-26,000	C
26,001-30,000	D
30,001-35,000	E
35,001-40,000	F
40,001-45,000	G
45,001-50,000	H
50,001-54,999	I
55,000-60,000	J
60,001-65,000	K
65,001-70,000	L
70,001-75,000	M
75,001-80,000	N

~~CVRA vehicles must be issued a weight decal sticker based on the declared operating weight. The vehicles must also be assigned a year sticker.~~

#### **Federal Heavy Vehicle Use Tax (FHVUT) on renewals**

Evidence of payment or exemption from the Federal Heavy Vehicle Use Tax (FHVUT) is required before registration may be issued or renewed for commercial vehicles weighing 8,001 pounds or more, or operated at a gross vehicle weight (GVW) of 55,000 pounds or more.

The FHVUT tax is paid to the Internal Revenue Service (IRS) and a receipted Schedule 1, Form 2290 is returned to the applicant as proof of payment. Proof of payment or exemption from the tax must be verified only once during the registration period.

#### **FHVUT is not required for:**

1. ~~Title only applications~~
2. ~~Original of transfer applications submitted in the new owner's name within sixty (60) days of purchase or transfer~~
3. ~~A vehicle that is not being operated.~~

#### **Proof of payment or exemption from the FHVUT is required for:**

- I. ~~Parked vehicles placed in operation after July 1, 1985~~
- II. ~~Once during the registration period for a vehicles.~~
- III. ~~Fleet vehicles—Form 2290 issued for a fleet of more that 21 vehicles will not list individual vehicle identification numbers and may be accepted if:~~

- ~~The name of the taxpayer on the Form 2290 is that same as the registered owner on record and the total number of vehicles for which the tax has been paid is equal to or more than the number of vehicles being registered or~~
- ~~The name of the taxpayer on the Form 2290 is not the same as the registered owner and a written statement from the taxpayer is submitted, stating the tax for the current period has been paid for the vehicles being registered.~~

### Acceptable Proof of Exemption

Accept any of the following as proof of exemption:

- I. ~~A Certificate of Exemption.~~
- I. ~~A Statement of Facts (REG-256) stating the vehicle will not be operated at a combined gross vehicle weight of 55,000 pounds or more.~~
- I. ~~A receipt or photocopy of Schedule 1, Form 2290 Part II, listing the vehicle as exempt.~~

### Acceptable Proof of Payment

Any of the following may be accepted as proof of payment of FHVUT upon renewal of registration:

- I. ~~The original or a photocopy of Schedule 1, Form 2290 receipted by the IRS.~~
- II. ~~A photocopy of Schedule 1, Form 2290 filed with the IRS and a photocopy of the front and back of the cancelled check made payable to the IRS.~~

### County and Allocated County Codes

A four digit number that identifies the county code and an allocated county code, if appropriate, is required for the allocation of fees. The first two digits identify the California county that corresponds with the register owner's address. When the vehicle is located and driven in a different California county, then the last two digits identify that county. All out of state addresses are designated as 60. Add the two digit county code for an allocated county as the last two digits in the county code field on vehicles located and driven in a county that is different from the address of the registered owner. The customer must complete and sign a *Statement of Facts* form (REG-256), Section G. This form must be attached to the registration renewal application.

### Special Handling of Duplicate Registration Card

Registration renewals from customers without a current billing notice or registration card must present evidence that they are the "registered owner of record" as identified on the department's vehicle registration database. Acceptable evidence is a California driver license or California identification card issued by DMV that matches the name(s) on the vehicle registration database.

The customer must complete and sign an *Application for Replacement Plates, Stickers, Documents* form (REG156). The customer's driver license number verifying that they are the registered owner must be recorded on the form. A person or persons other than the registered owner cannot receive the sticker and new registration card. Do not process the application for customers who cannot present a valid California driver license or identification card to verify their identity. Refer the customer to a DMV office for assistance.

Refer to the chart below for additional procedures for processing registration renewals.

<i><b>Customer Presents Billing Notice or Prior Registration Card and:</b></i>	<i><b>Then...</b></i>
Evidence of insurance and/or smog is required	Collect the fees, obtain copy of insurance and VIR, key the renewal, and issue the sticker & registration card. Attach copies of the insurance card/binder and VIR (when applicable).
Requirements listed on the Billing Notice missing (smog certificate, insurance card, etc.)	Collect the fees, process a <i>Report of Deposit of Fees</i> requesting necessary missing document(s).
Vehicle belongs to a Non Resident	Have customer complete and sign <i>Statement of Facts</i> form. Collect the fee,

Military (NRM)	key the renewal, issue a sticker & registration card and attach the form to the application. <i>Key Code M</i>
Registered owner requests change of address	Have customer complete and sign a <i>Notice of Change of Address</i> form (DMV 14). Collect the fee, key the renewal, change address, issue the sticker & registration card and attach the form to the application.
Vehicle owned by CA Indian Tribe or a tribal member living on federal Indian reservation or on rancheria located in CA	Have customer complete and sign <i>Statement of Facts</i> form. Collect the fees, key the renewal, change the address when necessary, issue the sticker & registration card and attach the form to the application. <i>Key Code I.</i>
Vehicle is a Specialized Transportation Vehicle	Have customer complete and sign <i>Application for Replacement Plates, Stickers, Documents</i> form. Collect fees, key the renewal, issue a registration card & sticker and attach the form to the application. <i>Key Code F.</i>

### **Substitute Plates and/or Stickers**

The *Application for Replacement Plates, Stickers, Documents* (REG 156) must be completed for the issuance of substitute plates/or stickers when the plates/or stickers have been lost, stolen, mutilated or illegible. The business partner must verify the owner's address and identity before issuing replacement plates.

**On all duplicate or substitute transactions, a legible photocopy of the driver license or identification card must be attached plus any additional transaction requirements. IF IDENTIFICATION IS NOT AVAILABLE-- DO NOT START TRANSACTION.**

### **Nonreceipt of Documents, Plates, and/or Stickers**

When the certificate(s), plate(s), and/or sticker(s) issued by the department are not received and the department had the correct address, "no fee" replacements are issued. The "not received" box on the application form should be checked.

### **Application for Plates, Sticker, Documents**

The *Application for Replacement Plates, Stickers, Documents* form, (REG 156) must be completed for the issuance of substitute plates/or stickers when the plates/or stickers have been lost, stolen, mutilated or illegible. The business partner must verify the owner's address and identity before issuing replacement plates.

The dealer may complete the REG 156 when replacements are requested in conjunction with a dealer transfer transaction. Otherwise, the vehicle owner must complete the REG 156. A dealer cannot apply for replacements after ownership is transferred to the buyer. The owner of record must complete the application. NOTE: On applications submitted by BPAs business partners, other than a dealer, dismantler, insurer/ insurer's agent, or salvage pool, the owner's identity and owners address must be verified as shown on the REG 156 and a legible photocopy of the driver license or identification card must be attached plus any additional requirements before issuing replacement plates.

### **Nonreceipt of Documents, Plates, and/or Stickers**

A REG 156 must be completed when the certificate(s), plate(s), and/or sticker(s) issued by the department are not received and the department had the correct address, "no fee" replacements are issued. The "not received" box on the application form should be checked.

### Substitute Plates

The correct substitute plate application and fee must be submitted in addition to any other requirements for the transaction when replacement plates are needed. When someone other than the registered owner of the vehicle submits the application for replacement plates, the plates must be mailed directly to the registered owner. NOTE: BPAs Business partners may issue substitute plates for regular license plates only. BPAs Business partners may not issue substitute "specialty plates" of any kind or substitute plates to vehicles registered in the name of a trust.

### Duplicate Registration Card Only

When the vehicle registration card is lost, stolen, mutilated, or illegible, the registered owner must complete an *Application for Replacement Plates, Stickers, Documents* (REG 156) and pay the duplicate fee to obtain a new Registration Card. The REG 156 and duplicate fee are not required in conjunction with another application, such as a transfer of ownership.

### Application for Duplicate Title—~~No Registered Owner or Registered Owner Address Change~~

An *Application for Duplicate Title* (REG 227) is used when a duplicate Certificate of Title is requested because the Certificate of Title is lost, stolen, mutilated, or illegible. A mutilated or illegible title must be submitted with the application. The requirements and fees are:

1. The REG 227 must be properly completed. If the legal owner/lienholder of record is releasing interest, the signature must be notarized.
2. An additional fee for duplicate title is due.
3. Verify applicant's photo ID and write the drivers license or identification card number on the *Application for Duplicate Title* (REG 227).
4. A change of address shall not be performed as part of the duplicate title transaction.

### Application for Duplicate Title and Transfer of Ownership

An *Application for Duplicate Title* (REG 227) is used to transfer ownership when the Certificate of Title is lost, stolen, mutilated, or illegible. A mutilated or illegible title must be submitted with the application. In addition to the usual transfer requirements and fees:

1. The REG 227 must be properly completed and endorsed for transfer. If the legal owner/lienholder of record is releasing interest, the signature must be notarized.
2. The odometer mileage disclosure is completed on a *Vehicle/Vessel Transfer and Reassignment Form* (REG 262).
3. An additional fee for duplicate title is due.

**EXCEPTION:** An insurance company (or its agent) is exempt from the notarized signature requirement on transfers of total loss salvage vehicles to the insurance company when a lienholder is indicated on the department's records and an acceptable lien satisfied document from the lienholder is submitted by the insurance company (or its agent). NOTE: When the insurance company sells the vehicle using the REG 227, the lienholder's release signature must be notarized.



### **Notarized Signature of Lienholder Required**

The release signature of the legal owner/lienholder on a lien satisfied form or an *Application for Duplicate Title* (REG 227) must be notarized. This includes a REG 227 used for an electronic lienholder (ELT) transfer. A California notary's stamp must include the notary's name, the commission number and expiration date, the county and state in which the commission was granted, and the state seal. An out-of-state notary's stamp is acceptable as completed. (Other states might not require the same information as California.)

The notarized stamp and signature may be located:

- Next to the legal owner's/lienholder's release signature on the REG 227, or
- On a separate sheet of paper attached to the REG 227, or
- On any other document submitted in lieu of the release signature on the REG 227 that shows satisfaction of the lien, such as a *Lien Satisfied/Title Holder Release* (REG 166). The department will return the application if the legal owner/lienholder release signature is not notarized as required.

### **Duplicate Certificate of Title Lost After Released by the Lienholder**

An *Application for Duplicate Title* (REG 227) must include the lienholder's release signature on it or a *Lien Satisfied/Title Holder Release* (REG 166) if the title was lost after the lienholder released interest. In either case, the lienholder's signature must be notarized as explained in the section titled "Notarized Signature of Lienholder Required". The person who lost the title must complete the "Missing Title Statement of Facts" portion of the REG 227.

### **Substitute Sticker Only**

**Year Sticker**—An *Application for Replacement Plates, Stickers, Documents* (REG 156) and the substitute sticker fee must be submitted to the department if the year sticker is lost, stolen, mutilated, or illegible. A mutilated sticker must be submitted with the REG 156.

**Month Sticker**—A REG 156 is not required to replace a lost, stolen, mutilated, or illegible month sticker. Upon request, a new month sticker is issued for no fee after the month of expiration is verified from the registration card or the ~~DMV~~ VR database.

## *E. No Fee Special Moving Permit* *E. Miscellaneous Originals*

A Vehicle Moving Permit (REG 172) may be issued without a fee for a period of only one day for movement of a vehicle in accordance with California Vehicle Code (VC) §4002 and VC §11716. A vehicle is not required to be registered when moved or operated under a Vehicle Moving Permit.

### **Permit Restrictions—**

A Vehicle Moving Permit **may** be issued for the following:

- ~~For movement of an unregistered vehicle (other than a trailer coach) with a Certificate of Planned Non-Operation (PNO) on file.~~
- ~~To move a vehicle not required to be registered or have a planned non-operational status from one place of storage to another. Vehicles seized by a reposessor can be included in this category if it is determined how and where the vehicle is moved.~~
- ~~To move a vehicle to or from a garage or repair shop for the purpose of repairs or alteration.~~
- ~~To move a vehicle for the purpose of dismantling or wrecking and permanent removal from the highways.~~
- ~~To move a vehicle from one place to another for the purpose of inspection by the department, assignment of a vehicle identification number, inspection of pollution control devices, or weighing of the vehicle.~~
- ~~To move a vehicle on which construction has not been completed.~~

### **Permit Exclusions—**

A Vehicle Moving Permit **cannot** be issued if:

- ~~Fees are due.~~
- ~~The vehicle has been impounded and fees are due. However, the no fee permit may be issued after all fees due are paid.~~

## Miscellaneous Originals

Miscellaneous original means a transaction to issue a California Certificate of Title and the supporting documentation does not include the following:

- A new vehicle report of sale form
- A title or ownership documentation from another state or international jurisdiction.
- A record on the California VR database

The following are examples of miscellaneous originals:

*Unavailable Record* (Document submitted may be a California Certificate of Title or registration card, but no record is found in the California VR database.)

*No Evidence of Ownership* (Document submitted is not recognized by the *Polk Motor Vehicle Registration Manual, Title, Registration and Related Procedures for all States* book as evidence of title/ownership)

*Vehicle with Manufacturer's Statement of Origin (MSO)* (Document submitted is a manufacturer's Statement of Origin (MSO)) created by the vehicle manufacturer

*Vehicle with Manufacturer's Certificate of Origin (MCO)* (Document submitted is a manufacturer's Certificate of Origin (MCO)) created by the vehicle manufacturer

NOTE: Miscellaneous originals are only processed by approved business partners, such as fleets, rental car companies, leasing companies, or licensed dealers.

## 1. Manufacturer's Statement of Origin (MSO)

When a MSO is submitted in lieu of a new vehicle report of sale form, the transaction must be processed using an Application for original registration must use an *Application for Title or Registration/Verification of Vehicle* (REG 343/REG 31) when a MSO is submitted in lieu of a new vehicle report of sale. The MSO may be prepared at the factory or an assembly plant or by a business authorized by the manufacturer. All MSO's, except those for off-road equipment, should be produced in an identical format and must include:

- The manufacturer's name and address.
- The make, identification number, year model, and vehicle series or model name.
- The date and to whom the ownership was transferred from the manufacturer and the signature of the manufacturer's agent (a signature stamp is acceptable).

NOTE: Reassignments made on the MSO do not need to be notarized, even if a notary space is provided.

An MSO should be: 7" x 11" in size, on paper stock sixty (60) pound offset or equivalent durability, and be printed with security features that include:

- Sensitized security paper without added optical brighteners that will not fluoresce under ultraviolet light.
- Engraved border and prismatic rainbow printing with Copy Void Pantograph (the word "void" appears when the document is copied).
- 2 complex colors (colors developed by using a mixture of two or more primary colors and black if required) and 2 security threads, with or without watermark, and/or intaglio print, with or without latent image, and/or security laminate.

## 2. Duplicate MSOs

A duplicate copy of an MSO issued by the manufacturer is acceptable as proof of ownership. It must clearly state, "Duplicate" on the face of the document, contain the same security features as the original MSO, and contain the identical descriptive information, except for the issuance date, as the original MSO. Any discrepancy invalidates the duplicate.

## 3. MSO Continuations

Any continuation to an MSO must clearly state "Continuation" on the face of the document and contain the same security features as the original. A "continuation" MSO must be used in conjunction with the original MSO.

## 4. Second Stage Manufactured Vehicles sold using a MSO/MCO and Federal Motor Vehicle Safety Standards

Second stage manufactured vehicles are incomplete cab/chassis vehicles that are modified to become motor homes, and heavy duty utility trucks. Federal statutes require the original vehicle identification number (VIN) of the first stage manufacturer to be maintained as the VIN of record during the life of the vehicle. Therefore, use the original VIN of the first stage manufacturer to identify/register an incomplete vehicle equipped with a second stage manufactured body.

NOTE: When the incomplete vehicle was manufactured in a different year than the second stage, use the year model shown on the Application for Registration of New Vehicle (REG 397). Examples of vehicles manufactured in more than one stage are motor homes, passenger vehicles (Clenet has a Mercury body), and trucks (Ichiebon).

### Procedures for Second Stage Vehicle Registration Applications sold on MSO/MCO.

- Key all required information from the *Application for Registration of New Vehicle* (REG 397) or the *Application for Title or Registration* (REG 343).
- If necessary, ~~key over~~ rekey the make of the vehicle, the generated ~~make~~, year model, or body type, so the information agrees with the information on the REG 397.
- Collect all fees due.

### 5. Registration of Trailer Coaches sold on MSO/MCO.

Trailer coaches and commercial coaches located in California must be registered at all times, regardless of operation.

Trailer coaches and commercial coaches cannot be registered under the Permanent Trailer Identification (PTI) Program.

Exceptions—The annual registration requirement does **not apply** to a trailer coach when it is:

- moved in conformance with the **Vehicle Code** provisions relating to dealers, manufacturers or transporters.
- unoccupied and held for sale in a manufacturer's or dealer's inventory.
- destroyed by fire, flood, or other disaster.
- owned by ~~an~~ a Indian Native American while parked off-road on a federal Indian reservation or rancheria.
- located on a military reservation/installation.
- located in a federal enclave with a system of roads within it exclusively maintained and controlled by the U.S. Government without funds from the State of California used for construction or maintenance of such roadways. The five federal enclaves are: Cabrillo National Monument (except for the area within Pt. Loma traffic circle), Fort Point National Historic Site, Lassen Volcanic National Park, Sequoia Kings Canyon National Park, and Yosemite National Park.
- registered in another state/country and displays valid license plates issued for it in the owner's state/country of residence. Fees are due within 20 days if the owner becomes a California resident or accepts employment in California or upon sale to anyone other than a licensed dealer.

### 6. ~~Vehicles with Unavailable Records (Excluding Motorcycles)~~

Vehicles **not** registered within the department's four year file record retention period may no longer appear on the department's database and are referred to as "unavailable records". Unavailable records are registered as shown below.

~~Without a California Certificate of Title — Only DMV only can process transactions for unavailable records without a California Title or original California registration card.~~

~~With a California Certificate of Title and/or Original Registration Card (Vehicle value under \$5,000.00 only)—~~

~~When the California title and/or an original registration card (not a photocopy) is available, then submit the following:~~

- ~~A completed *Application for Title or Registration* (REG 343).~~

- The California Certificate of Title or an *Application for Duplicate Title* (REG 227) and an Original Registration Card (REG 277).
  - A *Certificate of Non-Operation* portion of the form (REG 102) or a *Statement of Facts* (REG 256) regarding non operation of the vehicle up to the date of application may be accepted **unless** the vehicle is a trailer coach which must be registered at all times.
  - Vehicle verification. Exception: Not required for a vehicle to be dismantled by a licensed dismantler.
  - A weight certificate for a commercial vehicle. (See "**Weight Certificate Exceptions**" on the next page)
  - The *Report of Sale - Used Vehicle* (REG 51) and any bills of sale needed to establish a complete chain of ownership.
  - Odometer mileage disclosure (10 years old or newer).
  - A smog certification (see smog certification exemptions below)
  - Surrender of the old license plates. (When the vehicle is a collector vehicle and the old license plates are no longer on the database and they wish to retain them, refer them to DMV to process their transaction.)
  - Collect all fees due from the date of first operation. If ownership of the vehicle:
    - is not changing, retain the VLF class on the surrendered California title/or registration card, or, if the title is not surrendered, the original registration card.
    - is changing, reclassify the vehicle based on the new owner's purchase price or vehicle value.
  - Collect use tax when due (Refer to "Use Tax Exemption" on the next page).
- NOTE:** Trailer coaches must be currently registered at all times.

### **Smog Certification Exceptions**

The 30 year "rolling" smog exemption ended April 1, 2005 and a smog certification is required on original and transfer transactions for 1976 and newer year model motor vehicles. See **Exceptions** below for specific information on how 1976 year model vehicles are affected in 2005.

**Exceptions** — A smog certification is **not** required for:

- 1975 and older year model motor vehicles.
- 1976 year model vehicles with a California registration expiration date between January 1, 2005, and March 31, 2005.
- 1976 year model nonresident vehicles for which California registration fees became due between January 1, 2005, and March 31, 2005, **regardless of the date the fees are paid.**
- An original registration of a new vehicle sold by a California licensed dealer. The dealer **must** complete the certification portion on the California *Application for Registration of New Vehicle* (REG 397).
- An original registration of a new direct import vehicle submitted with the ARB "NON-USA Vehicle" certification.

**Statement of Facts, Part B: Statement for Smog Exemption (REG 256) is Required** — The following **transfer transactions** are exempt from the smog certification requirement when a REG 256 is completed and submitted with the application.

- The last smog certification was obtained within the last 90 days (copy of the Vehicle Inspection Report (VIR) is required.)
- The vehicle is powered by electricity, diesel, or fuel other than gasoline.
- The vehicle is located outside California. EXCEPTION: Vehicles located in Nevada or Mexico are **not** exempted.
- A vehicle owned by a bonafide California resident and located out of state is being registered. The REG 256 **must** state that the vehicle will be equipped with all the smog control devices required by law upon entry into California.

**Dealer Rollbacks—** A dealer is **not** required to obtain a new smog certification when a new or used vehicle is returned to the dealer and subsequently resold prior to the documents being submitted to the department. This **does not** exempt the dealer from the provisions of Vehicle Code §24007.

**NOTE:** Smog certifications issued to licensed dealers are valid for two years or until the vehicle is sold and registered to a retail buyer, whichever occurs first. A Report of Deposit of Fees (RDF) **does not** have to be on file for the smog certification to remain valid.

### Weight Certificate Exceptions

A weight certificate is **not** required or may be waived for:

- New commercial vehicles weighing 8,000 lbs. or less, which are sold by California-licensed dealers. The dealer must certify to the unladen weight on the *Application for Registration of New Vehicle* (REG 397).
- Trailers or semi-trailers registered under the Permanent Trailer Identification (PTI) Program. The estimated weight is required.
- Two-axle or three-axle motor vehicles weighing 10,001 lbs. or more. The estimated weight is required.
- Vehicles previously registered in California when the prior California commercial registration shows the unladen weight and number of axles **and** the application includes a *Statement of Facts, Part E: Statement for Vehicle Body Change* (REG 256) stating no changes/alterations have been made to the vehicle.
- Nonresident commercial vehicles with an unladen weight of 6,000 lbs. or less, if the nonresident title or registration indicates "empty, unladen, or shipping" weight.

**NOTE:** The term "scale" as shown on the Washington title or registration is acceptable as an unladen weight. Weight as shown on the Texas title is "empty" weight.

### Use Tax Exemptions

Transactions not subject to use tax are of two general types, those not considered to be a retail sale and retail sales exempted from payment of use tax.

## *F. Inventory Ordering Procedures* **F. Nonresident Vehicles**

First line service providers order inventory directly from DMV. DMV has two types of inventory (accountable and controlled) with each having different requirements. Both require a paperwork trail. Accountable items are defined as inventory identified by a unique serial number assigned by the department. These items are DMV issued license plates and year stickers. Controlled items are defined as inventory that may impact the registration of vehicles and collection of fees. These items are DMV issued computer paper form DMV95A (NEW 12/95) and month stickers. These items are at all times the property of DMV.

All orders must include a pre-approved return street address for the business partner. The first line business partner and first line service providers shall notify the BPA Program Administrator in a signed and written notification on business partner letterhead and sent by facsimile (fax), US mail, or private courier of no more than three (3) employees authorized by the business partner to order inventory from the department.

Written notification shall be sent to:

Department of Motor Vehicles  
BPA Program Administrator,  
2415 1<sup>st</sup> Avenue MS C383,  
Sacramento, CA 95818.

The person authorized to sign the BPA contract or the contact person designated on the application form shall sign the written notification. The list shall include the signature of each employee authorized by the business partner. A business partner shall notify the BPA Program Administrator in a signed and written notification on business partner letterhead and sent by facsimile (fax), US mail, or private courier within seven (7) days of the business partner's additions to and deletions from the list. Additions to the list shall include the signature of each added employee.

An authorized employee may order accountable and controlled inventory by mailing or faxing the completed and signed request on an Accountable Item(s) Order form, ADM510 (NEW 3/93) to the Department of Motor Vehicles Warehouse.

Second line business partner shall order inventory only from its service provider. Second line business partners shall not order inventory directly from the department.

Business partners shall control and monitor the license plates, year and month stickers, and DMV95A paper under their control. At no time shall a first line business partner or a second line business partner have more than a three (3) month supply of accountable and controlled inventory based on historic or projected transaction volumes stated on the application forms.

DMV shall ship inventory to first line business partners, first line service providers and pre-authorized second line business partners. First line service providers may pre-authorize one of its second line business partners by notifying the BPA Program Administrator in a signed and written notification on business partner letterhead and sent by facsimile, US mail, or private courier, of the identity of the second line partner, the site number, name of employees authorized to receive inventory and each employee's signature.

Business partner shall pay all shipping costs for inventory. A business partner shall immediately notify the BPA Program Administrator by facsimile (fax) or electronic mail if a business partner discovers or suspects that inventory has been misused, lost, stolen or if a pattern develops that indicates the misuse of inventory.

### **Accountable Inventory Items**

A business partner may either order by mailing or faxing the order form to DMV at the address or fax number listed below. A completed and signed Accountable Item(s) Order form (ADM 510) using the codes listed below is required to process the order. Mail to:

DMV Warehouse, Inventory Control Operations,  
4201 Sierra Point Drive,  
Suite 112, Sacramento, CA 95834  
Or Fax: (916) 928-7900

Stock Item #	Stock Name	Ordering and Shipping Information
9-701R	Reflectorized Auto Plates	Plates are in units of 50 sets per box and must be ordered as sets (SE). The number entered on the <i>Accountable Item</i> form for one box of plates is 50 SE and two boxes of plates is 100 SE. Each box weighs about 25 lbs. and is 13"x10"x7".
9-702R	Reflectorized Commercial Plates	Plates are in units of 50 sets per box and must be ordered as sets (SE). The number of items entered on the <i>Accountable Item</i> form for one box of plates is 50 SE and 100 SE for two boxes of plates. Each box weighs about 25 lbs. and is 13" x 10"x 7".
9-05R	Reflectorized Motorcycle Plates	Plates are in units of 50 sets per box and must be ordered as sets (SE). The number of items entered on the <i>Accountable Item(s)</i> form for one box of plates is 50 SE and 100 SE for two boxes of plates. Each box weighs about 7 lbs and is 10" x 8" x 5".
9-729*	Automobile, Commercial, Motorcycle, Trailer (ACTM) Year Stickers	Stickers are in units of 500 per box and must be ordered as each (EA). The number of items entered on the <i>Accountable Item(s) Order</i> form for one box of stickers is 500 EA and 1000 EA for two boxes of stickers. Each box weighs 2 lbs. and is 13" x 3" x 3".
9-951	Temporary Identification Number	Can be ordered at a minimum of 25 to a maximum of 500 numbers in a range and must be ordered as each (EA). These are not physical inventory but fictitious numbers that are assigned temporarily to a vehicle record until the item is cleared. The number of items entered on the <i>Accountable Item(s) Order</i> form for a range is 25 to 500 EA.
9-818	Q Series	Can be ordered at a minimum of 25 to a maximum of 500 in a range and must be ordered as each (EA). These are not physical inventory but fictitious numbers assigned to a title only vehicle record. The number of items entered on the <i>Accountable Item(s) Order</i> form for a range is 25 to 500 EA.

\*Year of Sticker for 2006 is 9-729-6; for 2007 is 9-729-7

### ***Controlled Inventory Items***

The order may be requested by letter on company letterhead and either mailed or faxed to DMV at the address or fax number listed below.

- Mail: DMV Materials Management Operations, Shipping Instructions Supply Orders, 4201 Sierra Point Drive, Suite 112, Sacramento, CA 95834
- Fax: (916) 928-7900.

***CVRA decals and year stickers are controlled inventory and can be ordered as follows:***

Stock Item #	Stock Name	Ordering and Shipping Information
9-799**	CVRA Weight Decals	Must be ordered in increments of 25 for each weight classification
9-799***	CVRA Expiration Year	Can be ordered in increments of 200 for each year.

—\*\* Maximum declared weight (i.e., 9-799-80)

—\*\*\* Expiration year (i.e., 9-799-6)

Month stickers are ordered by using the following stock item numbers and descriptions:

Stock Item #	Stock Description
9-3-240A	January
9-3-240B	February
9-3-240C	March



9-3-240D	April
9-3-240E	May
9-3-240F	June
9-3-240G	July
9-3-240H	August
9-3-240I	September
9-3-240J	October
9-3-240K	November
9-3-240L	December

Month Stickers are shipped in units of 500 stickers that are ordered as a box (BX). See prior chart under Stock Item # 9-729 for ordering and shipping information.

The business partner shall order controlled inventory on company letterhead using the following stock item numbers, names and ordering information for the computer paper and forms:

Stock Item #:	Stock Name:	Ordering and Shipping Information
9-95A	VR/DL Multipurpose Form— Single Sheet	Paper used with Laser printers to print DMV registration documents. Paper is shipped in cartons of 5000 sheets and must be ordered as a carton (CT). The number of items entered on the <i>Accountable Item(s) Order form</i> for one carton would be 1 CT and two cartons would be 2 CT. (Note: application renewals average three sheets per transaction).
7-175A	Physical Inventory Form (Non-DMV)	The 2 Part NCR form is shipped 25 sets per package and must be ordered as a package (PK). The number of items entered on the ADM 510 for one package would read 1 PK and 2 PK for two packages.
7-510	Accountable Item(s) Order Form	The 2 Part NCR form is shipped 100 sets per package and must be ordered as a package (PK). The number of items entered on the ADM 510 for one package would read 1 PK and 2 PK for two packages.

### Introduction

Any vehicle, including a vehicle registered to a nonresident owner, which is based in California or primarily used on California highways must be registered in California. A vehicle is considered to be primarily or regularly used on California highways when it is located or operated in this state for a greater amount of time than it is located or operated in any other individual state during the registration period. When California registration is required of a vehicle last registered in a foreign jurisdiction, the application for original registration must be made to the department within 20 days following the date registration became due to avoid penalties.

Any vehicle regularly operated on California streets and highways must be registered in California. A vehicle is considered to be regularly used when the vehicle is located or operated in this state for a greater amount of time than in any other state or consistently operated in California during a registration period. A registration application must be submitted within 20 days following the date registration became due.

Nonresident vehicle owners must register their vehicles in California within 20 days of the date they accept gainful employment or become a California resident. A person working for wages or operating a business is gainfully employed. Military personnel are not considered to be gainfully employed in California even when they hold a civilian job as well.

NOTE: Nonresident transactions are only processed by approved business partners who are occupational licensed dealers.

EXCEPTION EXEMPTION: Vehicle Code Section 6700.2 allows nonresident daily commuters to operate a motor vehicle on the highways of this state. California dealers have 30 days from the date of sale the vehicle is sold on the Report of Sale-Used Vehicle (REG 51) to submit fees without penalty. Residency is defined in Vehicle Code Section 516.

Definition of California Resident—A resident is any person who intends to live in this state on more than a temporary basis. For example: pay rent for a residence, register children for school, register to vote or establish a mailing address. If their presence in California is more than 6 months, residency is assumed.

NOTE: Residency is defined as stated in California Vehicle Code (CVC) 516.

Date Fees Become Due on a Nonresident Vehicle for the following vehicle circumstances:

- Dealer Inventory Vehicles—California registration fees for a nonresident vehicle acquired by a California dealer (with or without current registration) become due on the date of sale to the vehicle is sold to a retail buyer. The dealer has 30 days from the date of sale the vehicle is sold on the Report of Sale-Used Vehicle (REG 51) to submit the fees to the department.
- Change of Ownership for a Nonresident Vehicle —California registration fees are due immediately upon transfer of a nonresident vehicle from the nonresident owner on the registration documents and must be paid within 20 days after the new owner's date of purchase\* or 30 days from the Report of Sale Used Vehicle (REG 51) date, when sold by a California dealer.

California registration fees are due when the vehicle is sold or transferred and must be paid within 20 days after the new owner's date of purchase.

Other Nonresident Vehicles—Use the following chart to determine when California registration fees become due:

<u><i>If the nonresident vehicle is...</i></u>	<u><i>then California fees become due on...</i></u>
<u>sold by a California licensed dealer</u>	<u>date of <del>first</del> retail sale</u>
<u>* <del>purchased in California</del></u>	<u>the date of purchase</u>
<u>purchased outside California</u>	<u>the date of entry into California</u>
<u>a commercial vehicle</u>	
<u>owned by an active member of the military and is not currently registered in his/her home state or state of last duty station</u>	
<u>owned by an active member of the military and is currently registered in his/her home state or state of last duty station</u>	<u>date following expiration of his/her home state <del>the out of state</del> registration</u>
<u>brought into California by the owner named on the nonresident registration documents and will be registered in that owner's name</u>	<u>whichever occurs first:</u>  <u>date of entry into California or date residency is established <del>if the vehicle is currently registered out of state or date the out of state registration expires</del></u>
<u>a commercial vehicle and:</u> <u>is not currently registered</u>	<u><del>EXCEPTION: Commercial vehicles - when</del> When the commercial vehicle <b>is not</b> currently registered, fees are due on the date of entry into California.</u>
<u><del>Is currently registered</del></u>	<u>When the commercial vehicle <b>is</b> currently registered –</u> <u>whichever occurs first:</u> <ul style="list-style-type: none"> <li>o <u>The date the owner establishes residency or</u></li> <li>o <u>Accepts gainful employment in California or</u></li> <li>o <u>The date the out-of-state registration expires</u></li> </ul>

## Evidence of Ownership for Nonresident Vehicles

Evidence of ownership ~~must be the title~~ is the Certificate of Title ~~and be properly endorsed by the owner/seller~~. A bill of sale is **acceptable** in lieu of the seller's signature on the title. The title must show "no lienholder" or include the lienholder's release. A lien satisfied is acceptable in lieu of the lienholder's release on the title (see notarization requirements below). The documents presented to the department ~~must establish the complete~~ require a chain of ownership from the seller and the ~~correct~~ legal owner, if any, ~~for the nonresident vehicle listed on the Certificate of Title to the person or persons submitting the documents to receive a new California Certificate of Title in his/her/their name~~. Generally, all states issue a title to most motor vehicles. Some states **do not** issue titles for non-motorized vehicles, such as trailers. ~~Also, in the past, some states did not issue titles or to certain older model motor vehicles and trailers.~~

**Notarization Requirements**—The signatures on a nonresident title or a nonresident certificate ~~or~~ of origin are not required to be notarized, even if the nonresident title contains provisions for notarization upon transfer. Accept the nonresident owner's signature on the title or a bill of sale to the new owner.

**NOTE:** A lien shown with the notation "paid" and the lienholder's name and a countersignature is sufficient evidence that the lien is satisfied.

## Registration Requirements for Nonresident Vehicles

The basic registration requirements for all nonresident vehicles are listed below:

- A completed *Application for Title or Registration* (REG 343).
- A vehicle verification form (REG 31 – which is the reverse side of REG 343).
- Evidence of ownership (out-of-state title, any bills of sale needed to establish chain of ownership).
- The *Report of Sale Used Vehicle* (REG 51), if sold by a California dealer.
- A weight certificate, when a commercial vehicle.
- A smog certificate, when appropriate.
- Odometer mileage disclosure, when the vehicle is less than ten years old.
- Fees
- The name/address for an Electronic Lien and Title (ELT). The lienholder information **must be keyed exactly** as shown in the latest ELT listing issued by the department. New listings are issued quarterly with a Vehicle Industry News (VIN) memo.
- The driver license or identification card number (DL/ID#) for each buyer/owner (or lessee, if an individual) **must** appear. Show the buyer's/owner's out of state DL/ID# if he/she has not been issued a California DL/ID# and print the state of issuance in the front upper right corner of the REG 343.
- The length and width for a motor home **must be** shown on the REG 343 or on a *Statement of Facts* REG 256 submitted with the application.
- A vehicle verification. (Dealers should have this done prior to retail sale.)
  - Refer the following Vehicles to CHP for Verifications:
    - Vehicles last registered in a non-titling state
    - Vehicles with a missing, illegible, or damaged federal certification label
    - Vehicles with altered, defaced, or missing VIN
- Evidence of ownership, as described in Section "H", the "Nonresident" section of this handbook.

- Any bills of sale needed to establish a complete chain of ownership.
- The *Report of Sale - Used Vehicle* (REG 51), if being sold by a dealer.

### New Commercial Vehicles Exception:

A vehicle verification is **not** required for a new commercial vehicle purchased in another state as a complete vehicle or as an incomplete vehicle to which a new body has been added to make a complete vehicle.

#### The requirements for the exception are:

- The vehicle has never been registered or issued International Registration Plan (IRP) registration in California or was issued IRP registration only within the last 60 days.
- The vehicle has not been assembled, modified, or altered from a kit.
- The vehicle has an unladen weight of 6,001 pounds or more.
- The vehicle meets California emission standards.
- A Manufacturer's Statement of Origin (MSO) is submitted for the (complete) vehicle. A bill of sale, invoice, or sales slip **cannot** be used in lieu of a MSO.
- A weight certificate, if a commercial vehicle. A smog certification, if appropriate. Weight certificates from Oregon, Nevada or Arizona are acceptable when the closest weigh station is in one of these states.
- Odometer mileage disclosure, if appropriate.
- Appropriate fees.

**NOTE:** The application **must** include a *Statement of Facts* (REG 256) certifying no alterations, adjustments, or modifications were made to the vehicle's emissions control system **and** the vehicle **has** an emission label properly affixed in the engine compartment which indicates the vehicle meets U.S. and California emission standards or the MCO/MSO specifically states the vehicle meets California emission standards. A vehicle verification is **required** for a vehicle that **does not** meet California emission standards.

### Vehicles Registered to Nonresident Military (NRM) Personnel

The vehicle license fee (VLF) portion of the fees is **not** due for a vehicle registered to a nonresident military (NRM) person assigned to a California duty station. Refer to the "Nonresident Vehicles, Registration Requirements" section of this handbook in Section F for additional requirements.

**NOTE:** The appropriate evidence of emission and safety compliance is required or issuance of "title only" on a direct import vehicle.

### Non-title (Goldenrod) Registration Only

The department may issue a nontransferable non-title (goldenrod) registration when out-of-state titling documents are **not** submitted at the time of application for California registration. The goldenrod registration **must be** issued in the name of the **registered owner** (consistent with the requirement for true name) **shown on the nonresident registration card.**

The name of the legal owner/lienholder should be entered on *the Application for Title or Registration* (REG 343), even if it does **not** appear on the nonresident registration. When a goldenrod registration is issued, ownership of the vehicle **cannot** be changed until the nonresident title or evidence of ownership is presented to the department for issuance of a

California Certificate of Title. (Refer to the “Nonresident Vehicles, Section F, Registration Requirements” portion of this handbook in Section F for additional requirements.)

### Change of Name on a Non-title Registration

A goldenrod registration application must reflect the owner’s name as it appears on the nonresident registration card. When the registered owner’s name is different from the name that appears on the nonresident card, A *Statement of Facts, Part F, Statement for Name Change or Correction* (REG 256) shall be completed by the owner ~~must be and submitted to the department.~~ with the application, ~~the registered owner’s name changes from what is showing on the goldenrod registration.~~ In order to provide unquestionable continuity of ownership when the outstanding title is presented, the department will issue a new goldenrod registration, which contains both the new and former name of the owner. For example: “Mary Jones AKA Mary Smith”

### Name of Registered Owner(s) Remains the Same

To convert a non-title (goldenrod) registration to a regular California registration when the name of the owner on the non title registration is not changing, the requirements are:

- The last issued California goldenrod registration if available.
- The last issued title (California or nonresident) and any supporting Documents that may be necessary, such as a power of attorney, lien satisfied, or bill(s) of sale.
- A smog certification, if appropriate.
- Any fees due.

**NOTE:** 49-state vehicles and motorcycles with less than 7,500 odometer miles cannot be registered in California unless they are California-certified vehicles.

### Vehicle Issued Nonresident “Title Only” in Another State—Not Currently Registered There

The registration requirements for a vehicle issued “Title Only” in another state, but **not** registered there, are the same as for registration of any other nonresident vehicle. (Refer to the “Nonresident Vehicles, Section F, Registration Requirements” portion of this handbook in Section F for additional requirements.)

## **G. Receiving Inventory G. Vessels**

Within one (1) day of receiving accountable inventory the first-line service provider and including any of its second-line business partner site(s) that receive inventory directly from DMV, shall:

1. ~~Verify the contents of the shipment of accountable inventory against the *Accountable Item(s) Order* form (ADM 510) no later than the end of the business day following receipt of the items. If they do not agree, see Shipping Errors.~~

**Note:** ~~Immediately verify the contents of a partial box of license plates or stickers.~~

2. ~~Acknowledge receipt of the accountable inventory by sending an electronic message to the DMV warehouse identifying the ranges of license plates and year stickers, received, and site location(s) where inventory was shipped. Enter the items in the order listed on the form.~~
3. ~~Complete the following information on the *Accountable Item(s) Order* form (ADM 510). Enter the date the inventory is received, the assigned DMV office number and site ID and sign the name and print the title of the authorized person confirming delivery. This person must be one of the designated employees authorized to receive inventory.~~

**Note:** ~~The same person who initiated the inventory order cannot sign the *Accountable Item(s) Order form*. Sites with three (3) or less employees or owner/operator companies are exempt from the signature requirement. Retain a copy of the *Accountable Item(s) Order* form (ADM 510) for your files for three (3) years. Return the original form to:~~

DMV Warehouse Inventory Control Operations  
4201 Sierra Point Drive Suite 112  
Sacramento, CA 95834

### **Shipment Errors Discovered after Inventory Entered into Database**

A business partner shall notify DMV's Forms/ Accountable Inventory Section (FAIS) and Warehouse Inventory Control Operations (ICO) by telephone about shipment errors of accountable or controlled items. Call **before** the items are entered into the inventory database. Contact FAIS for any unresolved accountable inventory discrepancies.

The following procedures are to be followed when discrepancies are found with accountable items inventory **after** the items have been entered into the database and distributed for issuance.

Description of Discrepancy	Procedure
Additional items included in shipment (Item received was not ordered)	Call FAIS (916) 657-7837 and ICO (916) 728-7906 for shipment errors instructions.
Items discovered missing while processing	Enter "M" as the inventory disposition code in the business partner's Automated Inventory Tracking or Assignment Database.  <b>Note:</b> <del>If an item is declared missing and later found, enter "F" as the disposition code.</del>
Items discovered to be damaged or defective	Enter "D" as the inventory disposition code in the business partner's Automated Inventory Tracking or Assignment database. Follow the disposal procedures identified in the contract Agreement.
Partial receipt of shipment	Enter "P" as the inventory disposition code in the business partner's Automated Inventory Tracking or Assignment database.
Duplicate items received	Issue one set or item. Prepare a destruction report for the second set/item and follow the disposal procedures.

All undocumented vessels using California waters **must** display a current California registration number (CF number). Vessels may be registered or transferred through any field office, Sacramento Headquarters, or an authorized vessel agent.

### **Definitions**

**Situs**—Principal location of the vessel. **NOTE:** The name and address abbreviations for an Electronic Lien and Title (ELT) lienholder **must be entered on the application exactly as shown in the latest ELT listing issued by the department.** New listings are issued quarterly with a Vehicle Industry News (VIN) memo.

**State of Principal Use**—The state on which waters a vessel is used or intended to be used most during a calendar year.

**Undocumented Vessel**- A vessel that is not required to have, and does not have, a valid marine document issued by the United States Coast Guard.

**Vessel Agents**—A bona fide dealer, broker, or both, are appointed as vessel agents ~~but not licensed~~, by the department. Refer to Section entitled "Vessel Agents" for additional information. Vessel agents are assigned a unique vessel agent number, which the vessel agent enters on the registration document. Vessel agents may accept undocumented vessel registration and transfer applications and issue permanent vessel numbers and temporary Certificates of Number.

**Vessel and Marine Dealers**—Persons engaged in the business of selling or offering for sale, buying or taking in trade for the purpose of resale, or exchanging, any vessel(s) and receives or expects to receive money, profit, or any other thing of value. The department does not license vessel and marine dealers. The local city and county administration offices and the State Board of Equalization handle any questions about licenses for a retail business selling vessels and related marine equipment.

### **Yacht and Ship Brokers**

Yacht and ship brokers negotiate the purchase, sale, or exchange of yachts and **do not** own the yachts. Bills of sale are not required and the broker's name does not appear on the back of the Certificate of Ownership. These transactions require the same documentation and clearance requirements as other non-dealer original or transfer transactions.

Yacht and ship brokers (and "for hire" operators) are licensed by the Department of Boating and Waterways, 1629 "S" Street, Sacramento, CA 95814-7291.

### **Vessel Agents**

Vessel agents are not licensed by DMV, but are assigned a unique vessel agent number, which the vessel agent enters on the registration document. Vessel agents may accept undocumented vessel registration and transfer applications and issue permanent vessel numbers and temporary Certificates of Number.

**Document Preparation Fee**—Vessel agents have the option of charging a document preparation fee **not to exceed \$20.** This fee **is not** required or collected by the department.

### **Yacht and Ship Brokers Sales**



Yacht and shipbrokers negotiate vessel sales, but do not own the vessels. Bills of sale are not required and the broker's name does not appear on the back of the Certificate of Ownership. These transactions require the same documentation and clearance requirements as other non-dealer original or transfer transactions.

**Brokers Authorized as Vessel Agents**—May collect the registration fees and use tax due or collect the registration fees only and the department's Sacramento Headquarters will collect any use tax due from the buyer.

**Brokers Not Authorized as Vessel Agents**—Must give the documents to the buyer. The department collects the registration fees and use tax when the buyer presents the application. The document/clearance requirements for yacht/ship broker sales are the same as for other non-dealer transactions **except**:

- A bill of sale from the yacht/ship broker to the owner is **not** required.
- The broker's name is **not** entered on the back of the Certificate of Ownership.

Broker sales are subject to use tax (rather than sales tax). If the broker collects the use tax due, a Vessel Dealer or Manufacturer's Sales Tax Certification (BOAT 110) **must be** submitted with the application.

<u>For questions about a vessel agent's...</u>	<u>Contact the..</u>
<u>Registration or transfer application</u>	<u>Registration Operations Division</u> <u>Vessel Section MS C272</u> <u>PO Box 942869</u> <u>Sacramento, CA 94269-0001</u> <u>(916) 657-6925</u>
<u>Request for accountable items</u>	<u>Occupational Licensing Unit MS N224</u> <u>PO Box 932342</u> <u>Sacramento, CA 94232-3420</u>

**Vessels required to be registered in California**

- All undocumented motor boats **and**
- All undocumented sailboats over eight feet in length **or** with or without a motor.
- Amphibious vehicle/vessels **and** houseboats.
- Inflatable vessels with motors.
- Personal watercraft ski type vessels (for example, Jet Ski or Wet Bike).
- Shuttle Craft. "Shuttle Craft" is a full size, open bow, jet boat similar to a barge. It is powered **and** steered by any personal watercraft (PWC).
- Motorized surfboards (also known as jet boards).

### Vessels not required to be registered in California

- Vessels propelled solely by oars or paddles.
- Sailboats eight feet or less in length without motors.
- A public vessel of the United States, another state, or subdivision of another state.
- A ship's lifeboat. (A dinghy is not a lifeboat)
- A vessel of another country temporarily using the waters of this state.
- A vessel bearing an assigned number in full force, which has been issued pursuant to federal law or a federally approved numbering system of another state, provided it has not changed its state of principal use and has not been within this state for a period in excess of 90 consecutive days.
- Non-motorized surfboards over eight feet in length, propelled by a sail that requires the operator to hold the mast upright.
- A vessel not using or on the waters of this state.
- Racing vessels brought into this state exclusively for racing purposes and remaining for less than 90 days providing the state of origin also exempts such vessels.

EXCEPTION: A floating, stationary residential dwelling (floating home) not designed to have power of its own, is dependent for utilities to a source on shore, and which has a permanent sewage hookup on shore is not considered a vessel; therefore, it is not required to be registered per Vehicle Code Section 9840.

### California-Assigned Vessel Numbers

A permanent registration number (CF number) is assigned upon registration of undocumented vessels in California. In accordance with the national vessel registration system, the number consists of the letters CF, four numbers, and a two letter suffix (for example, CF 1234 AB). NOTE: The letters O, Q, or I, will not be issued for any CF numbers.

- Pleasure Numbers—Pleasure numbers are CF numbers that are not reserved as special numbers (see below). DMV field offices and vessel agents issue pleasure numbers to pleasure and commercial vessels.
- Special Numbers (CR §190.08)—Special numbers are CF numbers reserved for issuance to the vessels listed below and are issued only by the DMV vessel unit in Sacramento Headquarters. Types of vessels requiring special numbers are:
  - Livery and For Hire (Rental) Boats
  - Fee Exempt Vessels and City/County Owned Livery Boats

<u>Alpha suffix...</u>	<u>is reserved for issuance to...</u>
<u>DA-DZ</u>	<u>vessel dealers</u>
<u>LA, LB, LD, LE</u>	<u>livery (rental) boats and boats carrying paying passengers</u>
<u>LC</u>	<u>livery boats owned by a city or county (fee exempt).</u>
<u>MA-MY</u>	<u>vessel manufacturers</u>

<u>MZ</u>	<u>special use vessels other than dealers or manufacturers</u>
<u>XC</u>	<u>vessels owned by a city, county, district, or municipality (fee exempt).</u>
<u>XF</u>	<u>vessels owned by the federal government (fee exempt).</u>
<u>XS</u>	<u>vessels owned by the state (fee exempt).</u>
<u>YB</u>	<u>vessels owned by certain youth groups (fee exempt).</u>

**Dealers and Manufacturers**—Boat dealers and manufacturers may secure a special number for demonstrating or testing unregistered vessels. The number must not be permanently affixed to any vessel and it is not transferable.

**Original Applications**—The requirements are a completed Application for Dealer/Manufacturer Boat Registration Number (BOAT 101A) with “Dealer” or “Manufacturer” checked and the applicant’s Board of Equalization (BE) account (permit) number and the original registration fee. (December applications should also include the renewal fee.)

The requirements to register a vessel are:

- A completed Application for Dealer/Manufacturer Boat Registration Number (BOAT 101A).
- A Statement of Facts (REG 256) from the applicant stating where the vessel was obtained, the purpose and location of operation, approximately how long the vessel will be operated, and disposition of the vessel when the special use ends.
- The original registration fee.

### Vessel Carbon Monoxide Stickers

The Anthony Farr and Stacy Beckett Boating Safety Act Harbors and Navigation Code requires new and used motorized vessels to bear a sticker warning of the dangers of carbon monoxide poisoning when sold.

- Issue one set of Vessel Carbon Monoxide Warning Stickers and the companion brochure on every completed vessel transfer or renewal, nonresident and miscellaneous original vessel transaction.

Continue to the next page

- Explain to the customer that the stickers must be affixed to motorized vessels as follows:
  - ✓ The TRANSOM sticker must be affixed facing out on the exterior of the stern or transom of the motorized vessel, unless it is inflatable and the sticker would not adhere to the surface of the stern.
  - ✓ The HELM sticker must be affixed to the interior of the motorized vessel where it is immediately visible to the operator of the motorized vessel.

**NOTE:** Vessel agents will provide their customers owning/buying motorized vessels with a set of stickers and the companion brochure

### ABCs of the California Boating Law

Upon original California vessel registration or transfer, the department issues the new owner a copy of the "ABCs of the California Boating Law" (Boat 3) published by the Department of Boating and Waterways. This is required by the Federal Boating Act to ensure that new owners of vessels are informed of current vessel safety and registration information.

### Proof of Ownership

The following documents are acceptable as proof of vessel ownership:

- A Certificate of Origin,
- Bill of Lading, or
- Invoice from a dealer on original registration applications for vessels obtained through the dealer's inventory.  
(Can only be processed by Vessel Agents, Brokers and Dealers.)

### Original Vessel Registration

California must be the state of principal use shown on an application for California registration or the application cannot be accepted (Code of Federal Regulations, Title 33, Chapter 1, § Part ~~173.33e~~ 173.15) Fees must be paid upon purchase and prior to operation on California waters to avoid penalties.

Application Requirements—the basic requirements for original registration are:

- A completed Application for Vessel Registration Number Certificate of Ownership and Certificate of Number for Undocumented Vessel (BOAT 101).
- The BOAT 101 Certificate of Sale section must be completed if the seller is a dealer or builder/manufacturer or it is used as a bill of sale to establish a chain of ownership.
- The Manufacturer's Certificate of Origin or the original factory invoice or the original or certified copy of the sales agreement in the same names as shown on the BOAT 101, marked PAID" and countersigned.
- A Lien Satisfied (REG 166) is required if a legal owner/lienholder is shown on the sales agreement, but not on the BOAT 101.

NOTE: The department will not accept any application for registration of a vessel located out of state.

Additional Information and/or Requirements are:

<u>If the dealer/manufacturer...</u>	<u>Then...</u>
<u>Does not have a Board of Equalization (BOE) Permit number</u>	<u>The use tax due must be paid to the DMV.</u>
<u>Enters the BOE Permit number on the BOAT 101</u>	<u>A Vessel Dealer or Manufacturer's Sales Tax Certification (BOAT 110) must be submitted with the application (use tax is not submitted to the DMV).</u>

## ~~H. Inventory Returns and Disposal~~ H. Salvage , Nonrepairable, Junks, and NonRevivable Nonrevivable Junk Transactions and Vehicle License Fee (VLF) Refunds

First line service providers are responsible for obtaining obsolete, damaged, or expired inventory from their second line business partners. First line service providers may either return obsolete, damaged or expired inventory to DMV or dispose of obsolete, damaged or expired inventory.

Prior to disposal of any accountable item, the business partner must contact FAIS. FAIS will determine if the inventory is to be returned and used within DMV. FAIS will instruct the first line service providers to either return the items to the warehouse or to destroy the items. The method of disposal used must reasonably assure DMV that the improper use of these items is prevented. All expired accountable inventory must be disposed of on or before the 30<sup>th</sup> calendar day following the last work period of their validity.

Inventory is to be returned by completing the *Physical Inventory (Non DMV Entities)* form, (ADM 175A). The status of accountable inventory must be recorded on the first line service provider's inventory tracking database.

The inventory and form shall be sent to the DMV FAIS by traceable US mail or private carrier to: DMV, Forms/Accountable Items Section, 2570 24<sup>th</sup> Street, MS G202, Sacramento, CA 95818. The service provider shall pay all shipping costs for the return of the inventory.

Destroyed controlled inventory is reported quarterly by letter on the first line service provider's company letterhead and submitted with the Quarterly Physical Reconciliation report.

The enclosed following sections identify the requirements for salvage, ~~non-revivable~~, nonrepairable, and junked and nonrevivable junk vehicle transactions and vehicle license fee (VLF) refunds.

### APPLICATION DEFINITIONS

Application for Nonrepairable Certificate: Transaction for a vehicle, which has no resale value except as a source of parts or scrap metal.

Application for Salvage Certificate: a transaction for a vehicle that is being reported as salvage, either by an insurance company, salvage pool, or the registered owner.

Vehicle License Fee (VLF) Refund application: a transaction that provides for the return of prorated vehicle license fees paid on un-recovered stolen or constructive total loss vehicles. Note: VLF refunds are to be processed by salvage pools only.

Junk Certificate: a vehicle with a California record is being junked with the option to be reregistered.

Non-Revivable Nonrevivable Junk Certificate: a vehicle with a California record is being junked and will not have the option to be reregistered.

Vehicle License Fee (VLF) Refund application: a transaction that provides for the return of prorated vehicle license fees paid on un-recovered stolen or constructive total loss vehicles. Note: VLF refunds are to be processed by salvage pools only.

## SALVAGE OR NONREPAIRABLE VEHICLE CERTIFICATES

- A Salvage or ~~Non-repairable~~ Nonrepairable Vehicle Certificate cannot be issued for an ~~un-recovered~~ unrecovered stolen vehicle.
- Once a vehicle has been declared ~~non-repairable~~ nonrepairable, ownership of the vehicle may only be transferred twice on the ~~Non-repairable~~ Nonrepairable Vehicle Certificate.
- A ~~non-repairable~~ nonrepairable vehicle cannot be titled or reregistered subsequent to issuance of the ~~Non-repairable~~ Nonrepairable Vehicle Certificate.
- When an Application for Salvage Certificate or ~~Non-repairable~~ Nonrepairable Vehicle Certificate form (REG 488C) is accompanied by an Application for Duplicate Title (REG 227), verify the information on the (REG 227) REG 227 against the information obtained from an inquiry record from the VR database. The registered owner, legal owner, and vehicle description on the document must agree with the information in the VR database.
- The vehicle description must be the same as shown on the title. Incomplete or incorrect information may result in incorrect titling.
- Do not issue a Salvage Certificate or ~~Non-repairable~~ Nonrepairable Vehicle Certificate when the following conditions appear in the vehicle registration VR database:
  - A record is not found.
  - There is a discrepancy in registered owner or legal owner information.
  - The record status shows "junk", a "VLT stop", or a status that prohibits the application from being cleared.
  - A Special or Environmental License plate is shown on the record VR database.

### Salvage and ~~Non-repairable~~ Nonrepairable Certificate Requirements:

1. Application for Salvage Certificate or ~~Non-repairable~~ Nonrepairable Vehicle Certificate (REG 488C)

<u>When...</u>	<u>Then...</u>
The customer is applying for a Salvage Certificate.	<u>Complete Section (1) of the Application for Salvage Certificate or <del>Non-repairable</del> Nonrepairable Vehicle Certificate (REG 488C).</u>
The customer is applying for a <u><del>Non-repairable</del> Nonrepairable Certificate</u> .	<u>Complete Section (2) of the Application for Salvage Certificate or <del>Non-repairable</del> Nonrepairable Vehicle Certificate (REG 488C).</u>

2. The California Certificate of Title or an Application for Duplicate Title form (REG 227).

<u>When...</u>	<u>Then...</u>
The California Certificate of Title is submitted.	<u>The certificate must show the releasing signature of the registered and the legal owner of owner of record.</u>
The Certificate of Title is lost, stolen, mutilated, or illegible	<u>A duplicate title must be obtained. An Application for Duplicate Title (REG 227) must be completed by the legal owner of record or by the registered owner (if no legal owner on record) and be submitted with the required releasing signatures. A duplicate fee is also</u>

	<u>required.</u>
--	------------------

### 2.3. Vehicle/Vessel Transfer and Reassignment Form (REG 262)

<u>When...</u>	<u>Then...</u>
<u>The customer is applying for a Salvage Certificate.</u>	<u>Section 3 of the REG 262 must be completed for the odometer disclosure. Federal regulations specify that the information be completed in ink, not pencil.</u>
	<u>Section 4 is to be completed by the buyer and seller:</u> <ul style="list-style-type: none"> <li><u>A business name may be generated by hand in ink, typewritten, or computer generated. The authorized agent's countersignature must be completed by hand and in ink.</u></li> <li><u>The printed name(s) and signature(s) of the buyer and/or seller must be completed by hand and in ink.</u></li> </ul>

### SALVAGE CERTIFICATE (TITLE ONLY) FOR NONRESIDENT

#### Total Loss Salvage Vehicles

A vehicle that has been wrecked, destroyed, or damaged to the extent that the owner, leasing company, financial company, or insurance company considers it uneconomical to repair and, because of this, the vehicle is not repaired by the owner. This does not include an unrecovered stolen vehicle. A Salvage Certificate is issued instead of an ownership certificate for a total loss salvage vehicle and becomes the ownership document. This certificate can only be issued in the name of the registered owner of the insurance company.

~~Non-repairable~~ ~~Nonrepairable~~ Vehicle Certificates are issued to vehicles which have no resale value except as a source of parts or scrap metal. Once a vehicle has been declared ~~non-repairable~~ ~~nonrepairable~~, ownership of the vehicle may be transferred twice on a ~~non-repairable~~ ~~Nonrepairable vehicle certificate~~ Vehicle Certificate. A ~~Non-repairable~~ ~~Nonrepairable~~ Vehicle Certificate is issued instead of an ownership certificate for a ~~non-repairable~~ ~~nonrepairable~~ vehicle and becomes the ownership document. Once this certificate is issued, the vehicle cannot be titled or re-registered for use in California. NOTE: ~~Non-repairable~~ ~~Nonrepairable~~ Vehicle Certificates may not be issued to an unrecovered stolen vehicle.

#### The requirements for a Salvage Certificate or Non-repairable Vehicle Certificate for an Original are:

- ~~Application for Salvage Certificate or Non-repairable Vehicle Certificate (REG 488C)~~

An Application for Salvage Certificate or Non-repairable Vehicle Certificate (REG 488C) must be completed and signed by the owner or the insurance company. The application must indicate a wrecked or destroyed date, vehicle description, and cost value otherwise, a salvage certificate **can not** be issued. If the insurance payoff is over \$5000, return the application to the customer.

- ~~Evidence of Ownership~~

A properly endorsed nonresident (out of state) title or Manufacturer Statement of Origin (MSO). The title must be signed by the owner(s) and the lienholder, if any, when the Salvage Certificate is being issued to the insurance company. If the

out-of-state title is missing, a duplicate title must be obtained from the state that issued the out-of-state title. *When evidence of ownership is not available at the time of the transaction the vehicle can not be processed by the Business Partners.*

NOTE: Evidence of ownership (out-of-state title) must be verified before the transaction is keyed. Proof of ownership and a completed verification must be established prior to keying the Salvage or Non-repairable Vehicle Certificate, otherwise, the application cannot be keyed. A bond will not be accepted in lieu of the acceptable proof of ownership.

- Vehicle Verification (REG 343/31 side B)

Mandatory vehicle verification is required for registration of a nonresident vehicle and any vehicle to which the department does not have a record *except* new vehicles sold by a California-licensed dealer. The department requires a physical inspection of the vehicle (vehicle must be in California), prior to completing a registration application. The vehicle verification must be completed, in full, on the back of the *Application for Title or Registration/Vehicle Verification* (REG 343/REG 31). NOTE: *Verifications of unassembled or incomplete vehicles are not acceptable.*

*Application for Title or Registration/Vehicle Verification* form (REG 343/REG 31) completed by an authorized DMV employee, law enforcement, or a licensed vehicle verifier is required when a title from another state is submitted as proof of ownership.

A physical inspection of the vehicle is required and the REG 343 must be completed showing all descriptive information. Proof of ownership should be supplied before the inspection however, it is not required. The verifier must physically inspect the vehicle. After the inspection the verifier must review the documentation presented and verify it corresponds. The steps required to complete the vehicle verification are:

- Proof of ownership (out-of-state title)
- Physical inspection of vehicle
- Complete the *Verification of Vehicle* form REG 343/REG 31
- Show the number of axles for commercial vehicles
- Show odometer reading\*
- Verify the US Federal Certification label status\*\*
- Verify the emission label\*\*\*

\*Record the odometer reading as shown on the vehicle. Check the appropriate box to indicate miles or kilometers and the number of digits that display. The odometer reading is not attainable the vehicle verification **can not** be completed by the business partner and a transaction **cannot** be processed.

\*\*Vehicles 1970 and newer have US Federal Labels attached. Check the appropriate box to indicate if the label agrees or disagrees with the VIN. This label indicates whether the vehicle complies with U.S. Federal Motor Vehicle Safety Standards (US FMVSS). *If US FMVSS label is missing, damaged, or illegible, the verification cannot be completed*



by the business partner. If the label is missing, the vehicle must be inspected by California Highway Patrol (CHP).

\*\*\* Vehicles 1978 and newer have emission labels affixed to the vehicle. Check the appropriate box. If the emission label is missing or illegible, check the "REMARKS" box and explain the situation why the label is missing. If the vehicle meets US EPA (United States Environmental Protection Agency) standards only, the mileage must be more than 7,500 at the time vehicle was acquired. When the label is missing and the odometer is less than 7,500, cancel the verification. The vehicle cannot be registered in California.

The Statement of Facts—Identification Number or Engine Number Errors shown at the bottom of the Vehicle Verification form, will not be accepted if there are any discrepancies between the physical inspection information and the information on the documents presented. If an error or discrepancy is discovered, the vehicle must be inspected by the DMV or CHP and the owner of record must sign to certify this section.

SPECIAL NOTE: When any of the following conditions exist, the vehicle verification must be completed by CHP:

- Vehicle identity cannot be confirmed
- VIN plate has been altered, tampered with or defaced
- VIN plate or VIN plate area around the plate has been tampered with or altered.
- VIN is not in the prescribed location
- US Federal Certification Label:
  - Disagrees with the VIN
  - Appears to have been tampered with or altered
  - Is missing
- If the vehicle was equipped with an air bag and the air bag is missing, the vehicle must be referred to CHP for verification.
- Bill of Sale

If the vehicle was not acquired from the owner of record, a Bill of sale(s), for all the in between buyers is required to establish and complete the chain of ownership.

- Weight Certificate

A weight certificate will be required when the vehicle is a commercial vehicle and is subsequently being registered. When the out of state title has the **unladen** weight noted on it, a weight certificate is not required. The word "unladen" or "empty" must be present with the weight amount on the out-of-state title. When the vehicle is not being registered, then the weight certificate is not required.

- Odometer disclosure

Odometer disclosure on the Certificate of Title or a Vehicle/Vessel Transfer and Reassignment Form (REG 262) is required for motor vehicles 10 model years old or newer.

• Out of State license plates

The license plates must be surrendered. Pick up the license plates for cancellation. Section three of the *Application for Salvage Certificate or Non-repairable Vehicle Certificate* (REG 488C) must be completed to show what has happened to the plate(s) or an *Application for Plates, Stickers, Documents* form (REG 156) must indicate the disposition of the plate(s). **Salvage Pools are not occupational licensees and must surrender license plates to the department.**

• Fees

Collect the Salvage Certificate or Non-repairable Vehicle Certificate fee.

Vehicle License Fee (VLF) Refund Requirements—restricted to Salvage Pools only

A VLF refund cannot be processed until the Salvage or Non-repairable Nonrepairable status has updated on the vehicle registration VR database.

<u>When...</u>	<u>Then...</u>
<u>The vehicle is a constructive total loss and prorated vehicle license fee (VLF) refund is appropriate according to Sections 155.00 et. seq., Article 3, Title 13, California Code of Regulations.</u>	<u>An <i>Application for Vehicle License Fee Refund</i> (REG 65, Part B) must be submitted.</u>

Junk Certificate Requirements:

<u>If...</u>	<u>Then...</u>
<u>The vehicle is to be dismantled.</u>  <u>If required,</u>	<u>A <i>Notice of Acquisition/Report of Vehicle to be Dismantled Dismantler's Notice of Acquisition</i> (REG 42) is required, in addition to:</u>  <u>*A titling document: California Certificate of Title, or Application for Duplicate Title, or California Salvage Certificate</u>  <u>A Vehicle/Vessel Transfer and Reassignment Form (REG 262) may be required.</u>

\*Note: The titling document submitted must contain the following information:

- The releasing signature of the registered owner of record.
- The releasing signature of the legal owner of record.
- The dismantler's name and signature must appear in the new owner section on the reverse side of the title and not in the dealer section of the title.

If the application is clearable "validate" the duplicate copy of the *Notice of Acquisition/Report of Vehicle to be Dismantled Dismantler's Notice of Acquisition* (Reg. 42) (REG 42) by line date stamping the front of the form. Return the validated copy to the dismantler with instructions to attach it to ~~the book~~ their copy as proof of reporting and authority to dismantle the vehicle.

Non-Revivable Nonrevivable Junk Certificate Requirements:

A vehicle may be declared as a ~~non-revivable~~ nonrevivable junk due to the following circumstances:

- When there are reasonable grounds to believe that a vehicle has been abandoned, that vehicle may be removed from a highway or from public or private property by any peace officer or designated employee of a county or city, pursuant to California Vehicle Code Section 22669.
- A public agency may impound and remove from private or public property any vehicle that is wrecked, dismantled, inoperative, or considered a public nuisance, pursuant to California Vehicle Code Section 22660.

<u>If...</u>	<u>Then...</u>
<u>The vehicle is to be identified as a non-revivable nonrevivable Junk in the vehicle registration VR database.</u>	<u>A <i>Notice of Acquisition/Report of Vehicle to be Dismantled Dismantler's Notice of Acquisition</i> form (REG 42) is required, AND a <i>Public Agency Authorization to Dispose of a Vehicle to a Scrap Iron Processor or Dismantler Valued at \$300 or Less</i> form (REG 462)</u>

If the application is clearable "validate" the duplicate copy of the *Notice of Acquisition/Report of Vehicle to be Dismantled Dismantler's Notice of Acquisition* (REG 42) by date-line stamping the front of the form. Return the validated copy to the dismantler with instructions to attach it to the book their copy as proof of reporting and authority to dispose of the vehicle.

## *I. Inventory Assignment I. Registration Renewals*

~~License plates and year stickers are to be tracked by ranges used. Month stickers, DMV 95A paper and forms are to be tracked by on hand quantities. The location of all license plates and year stickers received as inventory and under the first line service provider and their second line business partner's control, shall be electronically tracked by the first line service provider and its site location. The status and location of the inventory is to be available to the business partner and DMV staff immediately on request.~~

~~License plates and year stickers are to be electronically assigned in strict serial number order, lowest number first. If the business partner's automated inventory tracking and or assignment system is unavailable, license plates and stickers shall not be manually assigned.~~

~~The business partner shall not release license plates and month and year stickers to the customer until the completed electronic transaction record has been received by DMV and the applicable DMV documents have been printed.~~

Business partners may process annual registration renewal transactions for automobiles, motorcycles, commercial vehicles and motor homes without a cab and chassis body-type model. A change of address in conjunction with the registration renewal transaction may be processed unless the business partner is expressly prohibited from processing for security reasons. The customer is to complete a DMV *Notice of Change of Address* form, DMV 14. Attach the form or the appropriate change of address section completed on the renewal billing notice to the application.

### Insurance Requirement

Renewal billing notices for customers whose insurance information is submitted electronically to DMV will not display the "Evidence of Liability Insurance" request on the front of the renewal billing notice. *Do not ask for an insurance card if the customer's renewal billing notice does not indicate it is due.* Customers without a renewal billing notice must provide evidence of insurance. For most customers that evidence would be an insurance card.

Insurance cards from:

- Canada are acceptable.
- Mexico are acceptable only if the insurer or vehicle owner's address is in Mexico.
- Other countries are not acceptable.

Compliance is verified with an insurance card or binder. Attach a copy of the insurance card or binder to the renewal document. An insurance card or binder must include the following information on the document to be acceptable:

1. Insured name on the policy or the vehicle owner's name.
2. Insurance company name.
3. An insurance document with a future effective date is valid, however, it is not mandatory for an insurance document to be dated. (If the policy expiration date is present, it must be valid for the registration period for which the fees are paid).
4. A master insurance policy covering multiple vehicles which is not vehicle-specific may be accepted for multiple vehicle renewals submitted at the same time.

**NOTE:** The vehicle description is not required, however if it is present, it must match the information on the registration card.

When an insurance company informs the Department that the required vehicle insurance policy or coverage is cancelled, or when the insurance is not received within thirty (30) days after the registration issuance on original or transfer applications, the registration of the vehicle will be suspended until the registered owner has sent in satisfactory proof of financial responsibility as defined in Section 85.00(a), Article 2.3, Chapter 1, Division 1, Title 13 of the California Code of Regulations.

To reinstate a suspended vehicle registration, the registered owner will be required to pay a reinstatement fee.

~~The business.~~ Business partners are prohibited from processing vehicle transactions that have had registration suspended. When the business ~~partners~~ partner ~~receive~~ receives an application that has this suspension on the ~~vehicle registration.~~ VR database, the business partner shall instruct the customer to contact the Department or the Department's agent handling the insurance reinstatements for instructions.

### **Smog Requirements**

Check the ~~DMV registration and titling~~ VR database for smog compliance. When current smog compliance is not present on the database, then an error message will appear. The customer must provide a copy of their Vehicle Inspection Report (VIR) indicating the vehicle passed smog to continue with the transaction. A photocopy of the VIR must be attached to the application. A "Y" database entry in the smog code field is keyed upon evidence of a valid VIR.

**Processing CVRA commercial renewals with weight changes**—when a customer changes the CVRA weight range, they must complete the *Declaration of Gross Vehicle Weight/Combined Gross Vehicle Weight* form, REG 4008. The appropriate weight code (A-N) for the new weight range must be keyed.

<u>GROSS/COMBINED GROSS VEHICLE WEIGHT RANGE</u>	<u>WEIGHT CODE</u>
<u>10,001-15,000</u>	<u>A</u>
<u>15,001-20,000</u>	<u>B</u>
<u>20,001-26,000</u>	<u>C</u>
<u>26,001-30,000</u>	<u>D</u>
<u>30,001-35,000</u>	<u>E</u>
<u>35,001-40,000</u>	<u>F</u>
<u>40,001-45,000</u>	<u>G</u>
<u>45,001-50,000</u>	<u>H</u>
<u>50,001-54,999</u>	<u>I</u>
<u>55,000-60,000</u>	<u>J</u>
<u>60,001-65,000</u>	<u>K</u>
<u>65,001-70,000</u>	<u>L</u>
<u>70,001-75,000</u>	<u>M</u>
<u>75,001-80,000</u>	<u>N</u>

*CVRA vehicles must be issued a weight decal sticker based on the declared operating weight. The vehicles must also be assigned a year sticker.*

#### Federal Heavy Vehicle Use Tax (FHVUT) on renewals

Evidence of payment or exemption from the Federal Heavy Vehicle Use Tax (FHVUT) is required before registration may be issued or renewed for commercial vehicles weighing 8,001 pounds or more, or operated at a gross vehicle weight (GVW) of 55,000 pounds or more.

The FHVUT tax is paid to the Internal Revenue Service (IRS) and a receipted Schedule 1, Form 2290 is returned to the applicant as proof of payment. Proof of payment or exemption from the tax ~~must~~ is to be verified only once during the registration period.

#### FHVUT is not required for:

- Title only applications
- Original of transfer applications submitted in the new owner's name within sixty (60) days of purchase or transfer
- A vehicle that is not being operated.

#### Proof of payment or exemption from the FHVUT is required for:

- I. Parked vehicles placed in operation after July 1, 1985
- II. Once during the registration period for a vehicles.
- III. Fleet vehicles—Form 2290 issued for a fleet of more that 21 vehicles will not list individual vehicle identification numbers and may be accepted if:
  - The name of the taxpayer on the Form 2290 is ~~that~~ the same as the registered owner on record and the total number of vehicles for which the tax has been paid is equal to or more than the number of vehicles being registered or
  - The name of the taxpayer on the Form 2290 is not the same as the registered owner and a written statement from the taxpayer is submitted, stating the tax for the current period has been paid for the vehicles being registered.

#### Acceptable Proof of Exemption

- A Certificate of Exemption.
- A Statement of Facts (REG 256) stating the vehicle will not be operated at a combined gross vehicle weight of 55,000 pounds or more.
- A receipt or photocopy of Schedule 1, Form 2290 Part II, listing the vehicle as exempt.

#### Acceptable Proof of Payment

Any of the following may be accepted as proof of payment of FHVUT upon renewal of registration:

- The original or a photocopy of Schedule 1, Form 2290 receipted by the IRS.
- A photocopy of Schedule 1, Form 2290 filed with the IRS and a photocopy of the front and back of the cancelled check made payable to the IRS.

### County and Allocated County Codes

A four-digit number that identifies the county code and an allocated county code, if appropriate, is required for the allocation of fees. The first two digits identify the California County that corresponds with the register owner's address. When the vehicle is located and driven in a different California county, then the last two digits identify that "allocated" county. All out-of-state addresses are designated as 60. Add the two-digit county code for an allocated county as the last two digits in the county code field on vehicles located and driven in a county that is different from the address of the registered owner. The customer must complete and sign a *Statement of Facts* form (REG 256), Section G. This form must be attached to the registration renewal application.

### Special Handling of Duplicate Registration Card

Registration renewals from customers without a current billing notice or registration card must present evidence that they are the "registered owner of record" as identified on the department's ~~vehicle registration~~ VR database. Acceptable evidence is a California driver license or California identification card issued by DMV that matches the name(s) on the ~~vehicle registration~~ VR database.

The customer must complete and sign an *Application for Replacement Plates, Stickers, Documents* form (REG156). The customer's driver license number verifying that they are the registered owner must be recorded on the form. A person or persons other than the registered owner cannot receive the sticker and new registration card. Do not process the application for customers who cannot present a valid California driver license or identification card to verify their identity. Refer the customer to a DMV office for assistance.

Refer to the chart below for additional procedures for processing registration renewals.

<u><i>Customer Presents Billing Notice or Prior Registration Card Presented and:</i></u>	<u><i>Then...</i></u>
<u>Evidence of insurance and/or smog is required</u>	<u>Collect the fees, obtain copy of insurance and VIR, key the renewal, and issue the sticker &amp; registration card. Attach copies of the insurance card/binder and VIR (when applicable).</u>
<u>Requirements listed on the Billing Notice missing (smog certificate, insurance card, etc.)</u>	<u>Collect the fees, process a <i>Report of Deposit of Fees</i> requesting necessary missing document(s).</u>
<u>Vehicle belongs to a <del>Non-Resident</del> <i>Nonresident</i> Military (NRM)</u>	<u>Have customer complete and sign <del>Non-Resident</del> <i>Nonresident Military Exemption Statement</i> form, REG 5045. Collect the fee, key the renewal, issue a sticker &amp; registration card and attach the form to the application. <i>Key Code M</i></u>
<u>Registered owner requests change of address</u>	<u>Have customer complete and sign a <i>Notice of Change of Address</i> form (DMV 14). Collect the fee, key the renewal, change address, issue the sticker &amp; registration card and attach the form to the application.</u>
<u>Vehicle owned by CA Indian Tribe or a tribal member living on federal Indian reservation or on a rancheria located in CA</u>	<u>Have customer complete and sign <i>Miscellaneous Certifications</i> form, REG 256A. Collect the fees, key the renewal, change the address when necessary, issue the sticker &amp; registration card and attach the form to the application. <i>Key Code I.</i></u>
<u>Vehicle is a Specialized Transportation Vehicle</u>	<u>Have customer complete and sign <i>Application for Replacement Plates, Stickers, Documents</i> form. Collect fees, key the renewal, issue a registration card &amp; sticker and attach the form to the application. <i>Key Code F.</i></u>



## J. Quarterly Physical Inventory Reconciliation Procedures J. Prohibited Transactions

The first line service provider is responsible for the consolidation of the accountable item inventory of their second line business partners. Physical inventory reports shall be provided for each quarter ending March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup>, and December 31<sup>st</sup>.

The first line service provider is to conduct a physical inventory of on-site accountable inventory on the first business day following the last day of the month of each quarter. The accountable items must be recorded on the *Physical Inventory (Non-DMV Entities)* form (ADM 175A). The controlled items that were damaged, missing, transferred to another site or destroyed for that quarter are to be identified by letter on the first line service provider letterhead.

Second line business partners will send the *Physical Inventory (Non-DMV Entities)* form (ADM 175A) and an inventory letter to the first line service provider no later than the 12<sup>th</sup> day of the month following the end of each quarter.

The first line service providers consolidated reports shall be forwarded to:

Department of Motor Vehicles, Forms/Accountable Items Section  
PO Box 932382, MS G202  
Sacramento, CA 94232-3820

The information is to be recorded on an ADM175A form and completed as follows:

FIELD	REQUIRED INFORMATION
Type plate	Enter automobile or commercial.
Beginning number	The beginning number for each type plate.
Ending number	The ending number for each type plate (listed in numerical order).
Inventory on hand	Quantity in each series.
Sticker expiration year	Sticker number by year of expiration.
Beginning number	The beginning number for each sticker (by year of expiration).
Ending number	The ending number for each year. (by year of expiration)*.
Company name	Enter the name of your company.
Office number	Office number assigned by DMV (must begin with a "Y").
Prepared by	Signature of employee(s) who completed the physical inventory, prepared the ADM175A and the date it was prepared.
Approved by	Signature of manager or supervisor or their designee. This must be someone other than the employee(s) who completed the physical inventory and prepared the ADM 175A. Must include the date the form was signed.
Date	Date the form was completed.

The ADM175A is a two-part NCR form. The form must be completed with a fine, black ink ballpoint pen or a typewriter. Do not make strikeouts, erasures or corrections on this form. Forward the original to DMV and retain one copy for your records. Retention of business records is explained in Section 225.60 of Title 13, California Code of Regulations.

The Forms/Accountable Items Section (FAIS) will compare the reports against information from the Accountable Inventory Management System database. FAIS will attempt to resolve any discrepancies. Discrepancies that FAIS is unable to resolve will be outlined in a memo and forwarded with a copy of the ADM 175A form in dispute to the first line service provider. It will be the first line service provider's responsibility to reconcile and resolve outstanding discrepancies. FAIS will be available to assist business partner in resolving discrepancies/differences identified in the Quarterly Physical Inventory Reconciliation Report.

Second line business partners are prohibited from destroying inventory. They will forward the inventory to their respective the first line service provider for disposal. The service provider is to follow the procedures identified in Section H. For assistance with any inventory reconciliation discrepancies and/or problems, contact FAIS at (916) 657-7837. Please identify yourself as a first line service provider participating in the BPA Program.

**The business partner is prohibited from processing applications that contain any of the following :**

1978 and newer year model on non-resident highway motorcycles

49 State Vehicles

72 Hour Title (if requested, must be processed by DMV)

American National Red Cross Vehicles-

Apportioned Title Only

Armored Vehicles

Attachment sales

Bankruptcy sales—trustee or receiver

Business Name to Sole Owner of the Business-

Commercial Vehicles base plated anywhere outside California

Constable sales

Court Orders

~~Dealer Vessels— (Business Partners can only process new pleasure vessels)~~

Diligent Effort

Direct Import Vehicles

Dismantled Vehicle/Vessel

Divorce Actions

Duplicate Plates

Electric Vehicles

Federal Government Sales

Foreign Consuls-

Foreign Vehicles

Forfeiture sales—California Agency

Forfeiture sales—Federal Agency

Forklift Trucks

Gifts from a Corporation or Partnership.

Go-Carts

Goldenrod Conversions

Golf Carts

Government actions

Government Surplus Vehicles

Half Track Vehicles

Hard Top Racers

~~Indian Owned Trailer Coach, Vehicle, or Vessel~~

Inheritance-  
Insurance Company Vehicles- (Company Vehicles)  
Internal Revenue sales  
International Registration Plan (IRP)  
International Traffic Vehicle  
Involuntary transfers  
IRP to Regular Registration  
Junking a Nonresident Vehicle  
Kit Vehicles  
Lien Sales  
Low Speed Vehicles  
Manufacturer Sales to Charitable Organizations  
Marshal sales  
Military lien sales  
Mini Bikes  
Miniature Motorcycles  
Mobile Cranes  
Modular Mobile Equipment  
Motorcycles with unavailable Records  
Multipurpose Vehicles  
New Vehicle Sales by a Non-franchised or Used Vehicle Dealer  
New Vehicles Sold by Non-dealers  
Non-dealer Sales of Midget Autos or Racers  
Nonresident Branded Titles (except when processing H00's and F00's)  
Nonresident Park Trailers  
Nonresident Students  
Nonresident Vehicle Transfers without a Nonresident Title  
Out of State Purchases Brought into California  
Park Trailers  
Partial Year Registration  
Prejudgment attachments  
Prior Consul Corp vehicles  
PTI's (Permanent Trailer Identification)  
Quiet Title Judgments

Repossession by legal owner not on record

Re-registrations (TTC K20)

Revived salvages/junks

Sheriff sales

Special Equipment Sales

Special trust transfers

Specially Constructed (SPCNS)

State Controller sales

Stolen Vehicle/Vessel.

Street Sweepers

Test Vehicles and Media Evaluation Vehicles

Three Wheel Motor Vehicles

Tote Goats

Transactions with Court Documents

Transfer of ownership to beneficiary shown as TOD

Transfers with ANY court orders (Conservator or Guardian, General, Spousal, Letters of Administration, Letters Testamentary, Transfer with Probate)

Trolley Coaches

Trust—transfers into or out of a trust

U.S. Marshal Sales

Unavailable records without a California title or California registration card ~~that contain~~ for the following types of vehicles:

- Motorcycles
- Off Highway Vehicles (OHV)
- Trailer Coach

US Customs sales

Vehicle(s) Moved on One-Trip Permit

Vessels Used in Interstate Commerce

Was delivered outside California to the purchaser.

- Entered California while engaged in interstate commerce.
- Will be used thereafter exclusively in interstate commerce.

VLT stop bypass

Warehouse Receipts act

Water Well Drilling Rigs

Welfare and Institution sales

Wheel Tractors and Road Tractors

K. List of DMV forms **K. Vehicle (No Fee) Moving Permit**

List of DMV and other agency forms available to process the vehicle transactions and manage inventory.  
(Forms in numerical order.)

<del>Affidavit for Transfer Without Probate California Titled Vehicles/Vessels Only</del>	<del>REG 5 (Rev. 1/98)</del>
<del>Notice of Change of Address</del>	<del>DMV 14 (Rev. 8/04)</del>
<del>Notice of Acquisition/Report of Vehicle To Be Dismantled</del>	<del>REG 42 (Rev. 3/96)</del>
<del>Report of Sale Used Vehicle</del>	<del>REG 51 (Rev. 4/94)</del>
<del>Application for Vehicle License Fee Refund</del>	<del>REG 65 (Rev. 11/03)</del>
<del>Report of Deposit of Fees</del>	<del>DMV 95A (NEW 12/95)</del>
<del>Statement of Error or Erasure/Statement to Record Ownership</del>	<del>REG 101 (Rev. 6/98)</del>
<del>Certificate of Non-Operation/ Planned Non-Operation Certification</del>	<del>REG 102 (Rev. 9/05)</del>
<del>Certificate of Repossession Security Interest/Conditional Sale Contract</del>	<del>REG 119 (Rev. 6/00)</del>
<del>Bill of Sale</del>	<del>REG 135 (New 2/04)</del>
<del>Application for Replacement Plates, Stickers, Documents</del>	<del>REG 156 (Rev. 2/2007)</del>
<del>Lien Satisfied/Title Holder Release</del>	<del>REG 166 (Rev. 9/97)</del>
<del>Vehicle Moving Permit</del>	<del>REG 172 (Rev. 9/99)</del>
<del>Physical Inventory (Non DMV Entities)</del>	<del>ADM 175A (Rev. 2/00)</del>
<del>Application for Duplicate Title</del>	<del>REG 227 (Rev. 2/2007)</del>
<del>Statement of Facts</del>	<del>REG 256 (Rev. 1/07)</del>
<del>Miscellaneous Certifications</del>	<del>REG 256A (Rev. 3/03)</del>
<del>Power of Attorney</del>	<del>REG 260 (New 2/04)</del>
<del>Vehicle/Vessel Transfer and Reassignment Form</del>	<del>REG 262 (Rev. 3/2003)</del>
<del>Application for Title or Registration/Verification of Vehicle</del>	<del>REG 343/REG 31 (Rev. 2/2007)</del>
<del>Certification or Exemption for Specialized Transportation Vehicle</del>	<del>REG 345 (Rev. 11/97)</del>
<del>Application for Registration of New Vehicle</del>	<del>REG 397 (Rev. 9/96)</del>
<del>Public Agency Authorization to Dispose of a Vehicle to a Scrap Iron Processor or Dismantler Valued at \$300 or Less</del>	<del>REG 462 (Rev. 5/98)</del>
<del>Application for Salvage Certificate or Non-Repairable Vehicle Certificate</del>	<del>REG 488C (Rev. 10/03)</del>
<del>Accountable Items(s) Order</del>	<del>ADM 510 (NEW 3/93)</del>

Statement for Securing Commercial Registration	REG 590 (Rev. 8/91)
Certificate of Excise Tax Clearance (Board of Equalization form)	BT1138
Declaration of Gross Vehicle Weight/Combined Gross Vehicle Weight	REG 4008 (Rev. 4/06)
Business Partner Automation Disclaimer form	REG 4020 (Rev. 01/2004)
Business Partner Automation Application—Second Line Business Partner	REG 4025 (Rev. 4/2005)
Non Resident Military Exemption Statement	REG 5045 (New 5/04)
Exempt License Plate Request	REG 5050 (Rev. 6/04)

A Vehicle (no fee) Moving Permit (REG 172) may be issued without a fee for a period of only one day for movement of a vehicle in accordance with California Vehicle Code (VC) Sections §4002 and VC §11716. A vehicle is not required to be registered when moved or operated under a Vehicle Moving Permit.

#### **Permit Restrictions—**

A Vehicle Moving Permit may be issued for the following:

- For movement of an unregistered vehicle (other than a trailer coach) with non-operation status on the registration history VR database.
- To move a vehicle not required to be registered or ~~have a~~ has a planned non-operational status on record from one place of storage to another place of storage. Vehicles seized by a reposessor can be included in this category if it is determined how and where the vehicle is moved.
- To move a vehicle to or from a garage or repair shop for the purpose of repairs or alteration.
- To move a vehicle for the purpose of dismantling or wrecking and permanent removal from the highways.
- To move a vehicle from one place to another for the purpose of inspection by the department, assignment of a vehicle identification number, inspection of pollution control devices, or weighing of the vehicle.
- To move a vehicle on which construction has not been completed.

#### **Permit Exclusions—**

A Vehicle (no fee) Moving Permit cannot be issued if:

- Fees are due.
- The vehicle has been impounded and fees are due. However, the permit may be issued after all fees due are paid.

## L. DMV Contacts Inventory Ordering

### **Audits Unit**

2570 24<sup>th</sup> Street, MS H121  
Sacramento, CA 95818  
Phone: (916) 657-8834  
FAX: (916) 657-5736

### **BPA Program Administrator**

2415 First Avenue, MS C383  
Sacramento, CA 95818  
Phone: (916) 657-6258  
FAX: (916) 657-0587  
bpa@dmv.ca.gov

### **Communications Program Division (CPD) Helpdesk**

Phone: (916) 657-6567

### **DMV Warehouse—Inventory Control Operations**

4201 Sierra Point Dr, Ste 112  
Sacramento, CA 95834  
Phone: (916) 928-7906  
FAX: (916) 928-7900

### **Forms/Accountable Items Section**

2570 24<sup>th</sup> Street, MS G202  
Sacramento, CA 95818  
Phone: (916) 657-7837  
FAX: (916) 657-7243

First-line service providers and First-first-line business partners order inventory directly from DMV. DMV has two types of inventory (accountable and controlled) with each having different requirements. Both require a paperwork trail. Accountable inventory items are defined as inventory identified by a unique serial number assigned by the department. These items are DMV-issued license plates, and salvage and nonrepairable certificates, vessel and year stickers. Controlled inventory items are defined as inventory that may impact the registration of vehicles and collection of fees. These items are DMV-issued computer paper form DMV95A, DMV 95A, and month stickers and Commercial Vehicle Registration Act (CVRA) stickers and decals. These items are at all times the property of DMV.

All orders must include a pre-approved return street address for the business partner. The first-line business partner and first-line service providers provider shall notify the BPA Program Administrator of no more than three (3) employees authorized by the business partner to order inventory from the department. The notification must be in writing on business partner letterhead and a signed by the person authorized to sign the BPA contract or the contact person designated on the application form and written notification on business partner letterhead and sent by facsimile (fax), US mail, or private courier of no more than three (3) employees authorized by the business partner to order inventory from the department.

Written notification shall be sent to:

Department of Motor Vehicles  
BPA Program Administrator,  
2415 1<sup>st</sup> Avenue MS C383,  
Sacramento, CA 95818  
FAX: (916) 657-0587

The person authorized to sign the BPA contract or the contact person designated on the application form shall sign the written notification. The list shall include the signature of each employee authorized by the business partner. A business partner shall notify the BPA Program Administrator in a signed and written notification on business partner letterhead and sent by facsimile (fax), US mail, or private courier within seven (7) days of the business partner's additions to and deletions from the list. Additions to the list shall include the signature of each added employee.

An authorized employee may order accountable and controlled inventory by mailing or faxing the completed and signed request on an *Accountable Item(s) Order* form, ~~ADM510~~ ADM 510 to the Department of Motor Vehicles Warehouse. ~~Second line~~ A second-line business partner shall order inventory only from its service provider. Second line business partners shall not order inventory directly from the department.

Business partners shall ~~control and~~ monitor the license plates, year and month stickers, and ~~DMV95A~~ DMV 95A paper under their control. At no time shall a first-line business partner or a second-line business partner have more than a three (3) month supply of accountable and controlled inventory based on historic or projected transaction volumes stated on the application forms.

DMV shall ship inventory to first-line business partners, first-line service providers and pre-authorized second-line business partners. First-line service providers may pre-authorize one of its second-line business partners by notifying the BPA Program Administrator in a signed and written notification on business partner letterhead and sent by facsimile, US mail, or private courier, of the identity of the second-line partner, the site number, name of employees authorized to receive inventory and each employee's signature.

Business partner shall pay all shipping costs for inventory. A business partner shall immediately notify the BPA Program Administrator by facsimile (fax) or electronic mail if a business partner discovers or suspects that inventory has been misused, lost, stolen or if a pattern develops that indicates the misuse of inventory.

#### **Accountable Inventory Items**

A business partner may either order by mailing or faxing the order form to DMV at the address or fax number listed below. A completed and signed *Accountable Item(s) Order* form (ADM 510) using the codes listed below is required to process the order. Mail to:

DMV Warehouse, Inventory Control Operations,  
4201 Sierra Point Drive,  
Suite 112, Sacramento, CA 95834  
Or Fax: (916) 928-7900



<u>Stock Item #</u>	<u>Stock Name</u>	<u>Ordering and Shipping Information</u>
<u>9-701R</u>	<u>Reflectorized Auto Plates</u>	<u>Plates are in units of 50 sets per box and must be ordered as sets (SE). The number entered on the Accountable Item form for one box of plates is 50 SE and two boxes of plates is 100 SE. Each box weighs about 25 lbs. and is 13"x10"x7".</u>
<u>9-702R</u>	<u>Reflectorized Commercial Plates</u>	<u>Plates are in units of 50 sets per box and must be ordered as sets (SE). The number of items entered on the Accountable Item form for one box of plates is 50 SE and 100 SE for two boxes of plates. Each box weighs about 25 lbs. and is 13" x 10"x 7".</u>
<u>9-05R</u>	<u>Reflectorized Motorcycle Plates</u>	<u>Plates are in units of 50 sets per box and must be ordered as sets (SE). The number of items entered on the Accountable Item(s) form for one box of plates is 50 SE and 100 SE for two boxes of plates. Each box weighs about 7 lbs and is 10" x 8" x 5".</u>
<u>9-729*</u>	<u>Automobile, Commercial, Motorcycle, Trailer (ACTM) Year Stickers</u>	<u>Stickers are in units of 500 per box and must be ordered as each (EA). The number of items entered on the Accountable Item(s) Order form for one box of stickers is 500 EA and 1000 EA for two boxes of stickers. Each box weighs 2 lbs. and is 13" x 3" x3".</u>
<u>9-951</u>	<u>Temporary Identification Number</u>	<u>Can be ordered at a minimum of 25 to a maximum of 500 numbers in a range and must be ordered as each (EA). These are not physical inventory but fictitious numbers that are assigned temporarily to a vehicle record until the item is cleared. The number of items entered on the Accountable Item(s) Order form for a range is 25 to 500 EA.</u>
<u>9-818</u>	<u>Q Series</u>	<u>Can be ordered at a minimum of 25 to a maximum of 500 in a range and must be ordered as each (EA). These are not physical inventory but fictitious numbers assigned to a title only vehicle record. The number of items entered on the Accountable Item(s) Order form for a range is 25 to 500 EA.</u>
<u>34*</u>	<u>Vessel Stickers</u>	<u>Stickers are in packs of 25 and must be ordered as each (EA). The number of items entered on the Accountable Item(s) Order form for one pack of stickers is 25 EA for one pack and 50 EA for two packs. Each pack weighs 1 lb and is 3"x 6".</u>

\*Year of Sticker for 2007 is 9-729-7; for 2008 is 9-729-8

\* Year of Vessel Sticker for 2007 is 9-347; for 2009 is 9-349

### Controlled Inventory Items

The order may be requested by letter on company letterhead and either mailed or faxed to DMV at the address or fax number listed below.

- Mail: DMV Materials Management Operations, Shipping Instructions Supply Orders,  
4201 Sierra Point Drive, Suite 112, Sacramento, CA 95834
- Fax: (916) 928-7900.

Commercial Vehicle Registration Act (CVRA) Inventory

CVRA decals and year stickers are controlled inventory and can be ordered as follows:

<u>Stock Item #</u>	<u>Stock Name</u>	<u>Ordering and Shipping Information</u>
<u>9-799**</u>	<u>CVRA Weight Decals</u>	<u>Must be ordered in increments of 25 for each weight classification</u>
<u>9-799***</u>	<u>CVRA Expiration Year</u>	<u>Can be ordered in increments of 200 for each year.</u>

\*\* Maximum declared weight (i.e., 9-799-80)

\*\*\* Expiration year (i.e., 9-799-6)

Month stickers are ordered by using the following stock item numbers and descriptions:

<u>Stock Item #</u>	<u>Stock Description</u>
<u>9-3-240A</u>	<u>January</u>
<u>9-3-240B</u>	<u>February</u>
<u>9-3-240C</u>	<u>March</u>
<u>9-3-240D</u>	<u>April</u>
<u>9-3-240E</u>	<u>May</u>
<u>9-3-240F</u>	<u>June</u>
<u>9-3-240G</u>	<u>July</u>
<u>9-3-240H</u>	<u>August</u>
<u>9-3-240I</u>	<u>September</u>
<u>9-3-240J</u>	<u>October</u>
<u>9-3-240K</u>	<u>November</u>
<u>9-3-240L</u>	<u>December</u>

Month Stickers are shipped in units of 500 stickers that are ordered as a box (BX). See prior chart under Stock Item # 9-729 for ordering and shipping information.

The business partner shall order controlled inventory on company letterhead using the following stock item numbers, names and ordering information for the computer paper and forms:

<u>Stock Item #:</u>	<u>Stock Name:</u>	<u>Ordering and Shipping Information</u>
<u>9-95A</u>	<u>VR/DL Multipurpose Form – Single Sheet</u>	<u>Paper used with Laser printers to print DMV registration documents. Paper is shipped in cartons of 5000 sheets and must be ordered as a carton (CT). The number of items entered on the Accountable Item(s) Order form for one carton would be 1 CT and two cartons would be 2 CT. (Note: application renewals average three sheets per transaction).</u>
<u>7-175A</u>	<u>Physical Inventory Form (Non DMV)</u>	<u>The 2-Part NCR form is shipped 25 sets per package and must be ordered as a package (PK). The number of items entered on the ADM 510 for one package would read 1 PK and 2 PK for two packages.</u>
<u>7-510</u>	<u>Accountable Item(s) Order Form</u>	<u>The 2-Part NCR form is shipped 100 sets per package and must be ordered as a package (PK). The number of items entered on the ADM 510 for one package would read 1 PK and 2 PK for two packages.</u>

## **M. Receiving Inventory**

Within one (1) day of receiving accountable inventory the first-line service provider and including any of its second-line business partner site(s) that receive inventory directly from DMV, shall:

1. Verify the contents of the shipment of accountable inventory against the *Accountable Item(s) Order* form (ADM 510) no later than the end of the business day following receipt of the items. If they do not agree, see Shipping Errors. **Note: Immediately verify the contents of a partial box of license plates or stickers.**
2. Acknowledge receipt of the accountable inventory by sending an electronic message to the DMV warehouse identifying the ranges of license plates, salvage and nonrepairable certificates, vessel and year stickers, received, and site location(s) where inventory was shipped. Enter the items in the order listed on the form.
3. Complete the following information on the *Accountable Item(s) Order* form (ADM 510). Enter the date the inventory is received, the assigned DMV office number and site ID and sign the name and print the title of the authorized person confirming delivery. This person must be one of the designated employees authorized to receive inventory.

**Note:** The same person who initiated the inventory order cannot sign the *Accountable Item(s) Order* form. Sites with three (3) or less employees or owner/operator companies are exempt from the signature requirement. Retain a copy of the *Accountable Item(s) Order* form (ADM 510) for your files for three (3) years. Return the original form to:

DMV Warehouse Inventory Control Operations  
4201 Sierra Point Drive Suite 112  
Sacramento, CA 95834

### **Shipment Errors Discovered after Inventory Entered into Database**

A business partner shall notify DMV's Forms/ Accountable Inventory Section (FAIS) and Warehouse Inventory Control Operations (ICO) by telephone about shipment errors of accountable inventory or controlled inventory items. Call before the items are entered into the inventory database. Contact FAIS for any unresolved accountable inventory discrepancies.

The following procedures are to be followed when discrepancies are found with accountable ~~items~~ inventory items after the items have been entered into the database and distributed for issuance.

<u>Description of Discrepancy</u>	<u>Procedure</u>
<u>Additional items included in shipment (Item received was not ordered)</u>	<u>Call FAIS (916) 657-7837 and ICO (916) 728-7906 for shipment errors instructions.</u>
<u>Items discovered missing while processing</u>	<u>Enter "M" as the inventory disposition code in the business partner's Automated Inventory Tracking or Assignment Database.</u>  <u>Note: If an item is declared missing and later found, enter "F" as the disposition code.</u>
<u>Items discovered to be damaged or defective</u>	<u>Enter "D" as the inventory disposition code in the business partner's Automated Inventory Tracking or Assignment database. Follow the disposal procedures identified in the contract Agreement.</u>
<u>Partial receipt of shipment</u>	<u>Enter "P" as the inventory disposition code in the business partner's Automated Inventory Tracking or Assignment database.</u>
<u>Duplicate items received</u>	<u>Issue one set or item. Prepare a destruction report for the second set/item and follow the disposal procedures.</u>

## *N. Inventory Returns and Disposal*

First-line service providers are responsible for obtaining obsolete, damaged, or expired inventory from their second-line business partners. First-line service providers may either return obsolete, damaged or expired inventory to DMV or dispose of obsolete, damaged or expired inventory.

First-line business partners are responsible for either returning obsolete, damaged, or expired inventory to DMV or disposing of obsolete, damaged or expired inventory.

Prior to disposal of any accountable item, the business partner must contact FAIS. FAIS will determine if the inventory is to be returned and used within DMV. FAIS will instruct the first-line service providers to either return the items to the warehouse or to destroy the items. The method of disposal used must reasonably assure DMV that the improper use of these items is prevented. All expired accountable inventory must be disposed of on or before the 30<sup>th</sup> calendar day following the last work period of their validity.

Inventory is to be returned by completing the *Physical Inventory (Non-DMV Entities)* form, (ADM 175A). The status of accountable inventory must be recorded on the first-line service provider's inventory tracking database.

The inventory and form shall be sent to the DMV FAIS by ~~traceable~~ trackable US mail or private carrier to: DMV, Forms/Accountable Items Section, 2570 24<sup>th</sup> Street, MS G202, Sacramento, CA 95818. The first-line service provider shall pay all shipping costs for the return of the inventory.

Destroyed controlled inventory is reported quarterly by letter on the first-line service provider's company letterhead and submitted with the Quarterly Physical Reconciliation report.

## *O. Inventory Assignment*

License plates, year stickers and vessel stickers are to be tracked by ranges used. Month stickers, DMV 95A paper, CVRA decals and stickers and forms are to be tracked by on-hand quantities. The location of all license plates, year stickers and vessels stickers received as inventory and under first-line business partner, the first-line service provider and their second-line business partner's control, shall be electronically tracked by the first-line business partner, first-line service provider and its site location. The status and location of the inventory is to be available to the business partner and DMV staff immediately on request.

License plates, year stickers and vessel stickers are to be electronically assigned in strict serial number order, lowest number first. If the business partner's automated inventory tracking and or assignment system is unavailable, license plates and stickers shall not be manually assigned.

The business partner shall not release license plates, ~~and~~ month and year stickers or vessel stickers, CVRA decals and stickers and salvage and nonrepairable certificates to the customer until the completed electronic transaction record has been received by DMV and the applicable DMV documents have been printed.

## **P. Quarterly Physical Inventory Reconciliation**

The first-line business partner is responsible for consolidating all of their accountable ~~item~~ inventory items. Physical inventory reports shall be provided for each quarter ending March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup> and December 31<sup>st</sup>.

The first-line business partner is to conduct a physical inventory of on-site accountable inventory on the first business day following the last day of the month of each quarter. The accountable items must be recorded on the *Physical Inventory (Non DMV Entities)* form (ADM 175A). The accountable items that were damaged, missing, transferred to another site or destroyed for that quarter are to be identified by ~~letter~~ written notification on the first-line business partners' letterhead. The first-line business partners' consolidated reports shall be forwarded to:

Department of Motor Vehicles, Forms/Accountable Items Section  
PO Box 932382, MS G202  
Sacramento, CA 94232-3820

The first-line service provider is responsible for the consolidation of the accountable ~~item~~ inventory items of their second-line business partners. Physical inventory reports shall be provided for each quarter ending March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup>, and December 31<sup>st</sup>.

The first-line service provider is to conduct a physical inventory of on-site accountable inventory on the first business day following the last day of the month of each quarter. The accountable ~~inventory items~~ must be recorded on the *Physical Inventory (Non DMV Entities)* form (ADM 175A). The accountable ~~inventory items~~ that were damaged, missing, transferred to another site or destroyed for that quarter are to be identified by ~~letter~~ written notification on the first-line service provider letterhead. The first-line service providers consolidated reports shall be forwarded to:

Department of Motor Vehicles, Forms/Accountable Items Section  
PO Box 932382, MS G202  
Sacramento, CA 94232-3820

Second-line business partners will send the *Physical Inventory (Non DMV Entities)* form (ADM 175A) and the written notification of damaged, missing, transferred or destroyed accountable inventory items ~~an inventory letter~~ to the first-line service provider no later than the 12<sup>th</sup> day of the month following the end of each quarter. The information is to be recorded on an ADM175A form and completed as follows:

<u>FIELD</u>	<u>REQUIRED INFORMATION</u>
<u>Type plate</u>	<u>Enter automobile or commercial.</u>
<u>Beginning number</u>	<u>The beginning number for each type plate.</u>
<u>Ending number</u>	<u>The ending number for each type plate (listed in numerical order).</u>
<u>Inventory on hand</u>	<u>Quantity in each series.</u>
<u>Sticker expiration year</u>	<u>Sticker number by year of expiration.</u>



<u>Beginning number</u>	<u>The beginning number for each sticker (by year of expiration).</u>
<u>Ending number</u>	<u>The ending number for each year. (by year of expiration)*.</u>
<u>Company name</u>	<u>Enter the name of your company.</u>
<u>Office number</u>	<u>Office number assigned by DMV (must begin with a "Y").</u>
<u>Prepared by</u>	<u>Signature of employee(s) who completed the physical inventory, prepared the ADM175A and the date it was prepared.</u>
<u>Approved by</u>	<u>Signature of manager or supervisor or their designee. This must be someone other than the employee(s) who completed the physical inventory and prepared the ADM 175A. Must include the date the form was signed.</u>
<u>Date</u>	<u>Date the form was completed.</u>

The ADM175A is a two-part NCR form. The form must be completed with a fine, black ink ballpoint pen or a typewriter. Do not make strikeouts, erasures or corrections on this form. Forward the original to DMV and retain one the copy for your records. Retention of business records is explained discussed in Section 225.60 of Title 13, California Code of Regulations.

The Forms/Accountable Items Section (FAIS) will compare the reports against information from the Accountable Inventory Management System database. FAIS will attempt to resolve any discrepancies. Discrepancies that FAIS is unable to resolve will be outlined in a memo and forwarded with a copy of the ADM 175A form in dispute to the first-line service provider. It will be the first-line service provider's responsibility to reconcile and resolve outstanding discrepancies. FAIS will be available to assist business partners in resolving discrepancies/differences identified in the Quarterly Physical Inventory Reconciliation Report.

Second-line business partners are prohibited from destroying inventory. They will forward the inventory to their respective the first-line service provider for disposal. The service provider is to follow the procedures identified in Section ~~N-L N~~, Inventory Returns and Disposal ~~Returns/Disposal Ordering~~. For assistance with any inventory reconciliation discrepancies and/or problems, contact FAIS at (916) 657-7837. Please identify yourself as a first-line service provider participating in the BPA Program.

## Q. List of DMV forms

List of DMV and other agency forms available to process the vehicle and vessel transactions and manage order inventory. (Forms in numerical order.)

<u>ABC's of the California Boating Law</u>	<u>Boat 3</u>
<u>Affidavit for Transfer Without Probate-California Titled Vehicles/Vessels Only</u>	<u>REG 5 (Rev. 1/98)</u>
<u>Notice of Change of Address</u>	<u>DMV 14 (Rev. 8/04)</u>
<u>Notice of Acquisition/Report of Vehicle To Be Dismantled</u>	<u>REG 42 (Rev. 3/96)</u>
<u>Report of Sale-Used Vehicle</u>	<u>REG 51 (Rev. 4/94)</u>
<u>Application for Vehicle License Fee Refund</u>	<u>REG 65 (Rev. 11/03)</u>
<u>Report of Deposit of Fees</u>	<u>DMV 95A (NEW 12/95)</u>
<u>Statement of Error or Erasure/Statement to Record Ownership</u>	<u>REG 101 (Rev. 6/98)</u>
<u>Application for Registration Number Certificate of Ownership and Certificate of Number for Undocumented Vessel</u>	<u>BOAT 101 (Rev. 7/08)</u>
<u>Dealer Manufacturer Boat Registration Number</u>	<u>BOAT 101A (REV. 6/91)</u>
<u>Application for Registration Number Certificate of Ownership and Certificate of Number for Undocumented Vessel</u>	<u>BOAT 101A. (REV. 7/08)</u>
<u>Certificate of Non-Operation/ Planned Non-Operation Certification</u>	<u>REG 102 (Rev. 9/05)</u>
<u>Vessel Dealer or Manufacturer's Sales Tax Certification</u>	<u>BOAT 110 (REV. 7/97)</u>
<u>Certificate of Repossession Security Interest/Conditional Sale Contract</u>	<u>REG 119 (Rev. 6/00)</u>
<u>Bill of Sale</u>	<u>REG 135 (New 2/04)</u>
<u>Application for Replacement Plates, Stickers, Documents</u>	<u>REG 156 (Rev. 2/2007)</u>
<u>Lien Satisfied/Title Holder Release</u>	<u>REG 166 (Rev. 9/97)</u>
<u>Vehicle Moving Permit</u>	<u>REG 172 (Rev. 9/99)</u>
<u>Physical Inventory (Non-DMV Entities)</u>	<u>ADM 175A (Rev. 2/00)</u>
<u>Application for Duplicate Title</u>	<u>REG 227 (Rev. 2/2007)</u>
<u>Statement of Facts</u>	<u>REG 256 (Rev. 1/07)</u>
<u>Miscellaneous Certifications</u>	<u>REG 256A (Rev. 3/03)</u>
<u>Power of Attorney</u>	<u>REG 260 (New 2/04)</u>
<u>Vehicle/Vessel Transfer and Reassignment Form</u>	<u>REG 262 (Rev. 3/2003)</u>

<u>Application for Title or Registration/Verification of Vehicle</u>	<u>REG 343/REG 31 (Rev. 2/2007)</u>
<u>Certification or Exemption for Specialized Transportation Vehicle</u>	<u>REG 345 (Rev. 11/97)</u>
<u>Application for Registration of New Vehicle</u>	<u>REG 397 (Rev. 9/96)</u>
<u>Public Agency Authorization to Dispose of a Vehicle to a Scrap Iron Processor or Dismantler Valued at \$300 or Less</u>	<u>REG 462 (Rev. 5/98)</u>
<u>Application for Salvage Certificate or <del>Non-Repairable</del> Nonrepairable Vehicle Certificate</u>	<u>REG 488C (Rev. 10/03)</u>
<u>Unobtainable Title Certification for Issuance of Salvage Certificate</u>	<u>REG 492 (Rev. 1/2007)</u>
<u>Accountable Items(s) Order</u>	<u>ADM 510 (NEW 3/93)</u>
<u>Statement for Securing Commercial Registration</u>	<u>REG 590 (Rev. 8/91)</u>
<u>Certificate of Excise Tax Clearance (Board of Equalization form)</u>	<u>BT1138</u>
<u>Declaration of Gross Vehicle Weight/Combined Gross Vehicle Weight</u>	<u>REG 4008 (Rev. 4/06)</u>
<u>Business Partner Automation Disclaimer form</u>	<u>REG 4020 (Rev. 01/2004)</u>
<u>Business Partner Automation Application – First Line Service Provider</u>	<u>REG 4023 (Rev. 7/2007)</u>
<u>Business Partner Automation Application – First Line Business Partner</u>	<u>REG 4024 (Rev. 7/2007)</u>
<u>Business Partner Automation Application – Second Line Business Partner</u>	<u>REG 4025 (Rev. 4/2005)</u>
<u>Business Partner Deposit Agreement and Assignment</u>	<u>REG 4039 (New 7/2007)</u>
<u>Non-Resident <del>Nonresident</del> Military Exemption Statement</u>	<u>REG 5045 (New 5/04)</u>
<u>Exempt License Plate Request</u>	<u>REG 5050 (Rev. 6/04)</u>
<u>Business Partner Automation Renewal Application</u>	<u>REG 5056 (Rev. 7/2007)</u>

## **R. DMV Contacts**

### **Audits Office**

P. O. Box 932328, MS H121  
Sacramento, CA 94232-3890  
Phone: (916) 657-8834  
FAX: (916) 657-5736

### **BPA Program Administrator**

2415 First Avenue, MS C383  
Sacramento, CA 95818  
Phone: (916) 657-6258  
FAX: (916) 657-0587  
bpa@dmv.ca.gov

### **Communications Program Division (CPD) Helpdesk**

Phone: (916) 657-6567

### **DMV Warehouse—Inventory Control Operations**

4201 Sierra Point Dr, Ste 112  
Sacramento, CA 95834  
Phone: (916) 928-7906  
FAX: (916) 928-7900

### **Forms/Accountable Items Section**

2570 24<sup>th</sup> Street, MS G202  
Sacramento, CA 95818 ~~94232-3820~~  
Phone: (916) 657-7837  
FAX: (916) 657-7243